

# **BUSINESS PRODUCT REVIEW**

## **Talent Scotland Graduate Placement Programme**

Final Review Report

July 2012

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## A EXECUTIVE SUMMARY

This report records the conduct and findings of a **Review of the TalentScotland Graduate Placement Programme** (TSGPP). The Review was conducted by MWC (the Consultants) to:

- Validate the delivery of the Programme against specification; and
- Identify potential for improvement of service and effectiveness of the Programme.

The **Review process** consisted of:

- Consultation with SE executives engaged in the design, implementation and evaluation of the Programme
- A review of the Programme Approval Paper, User Guide and performance management information for the period 2010-2011.
- Design, conduct and analysis of a web-based survey of 33 businesses using the Programme to employ a Graduate

Our **survey research** amongst the businesses with TSGPP graduates on placement has **concluded** that:

- The TSGPP is valued by businesses because it gives access to a pool of graduates and a streamlined selection process.
- Graduates are most often engaged in product and service development, process improvement and the application of ICT.
- At the outset the majority of graduates are employed at administrative or junior executive level with demonstrable progression over the course of the placement to executive and management positions.
- Graduates were assessed at the start of the placement as having strong communication and ICT skills.
- In the course of the placement businesses report progression in the strength of graduate skills in all areas.
- Eighty percent of respondents considered that the graduate had made a full or exceptional contribution to the business with the remainder assessing their contribution as marginal.
- The areas where graduates had contributed most included increasing penetration in existing markets, improving delivery processes, reducing costs and bringing new products or services to market.
- Only a small number of businesses were willing or able to quantify the financial contribution of the graduate to their business.
- Many businesses could not identify changes in graduate skills after their completion of the three day training programme.

- The Programme demonstrates both absolute (in a third of cases) and time additionality (a further third), stimulating additional recruitment and bringing forward recruitment and associated development projects within the business.
- Businesses have a more positive attitude to new graduate recruitment with 90% more likely to do so in the future.
- There is room for improvement in the management and administration of the Programme.
- Suggested improvements to the Programme include: wider promotion of the Programme and more extensive advertising of placements; more focused filtering of applications; provision of interview training; and earlier access of graduates to the training course provided as part of the placement contract.

***Overall, the TSGPP is assessed as delivering against its objectives for business. It is providing assistance to graduate recruitment and removing some of the transactions costs and information barriers which prevent SMEs recruiting graduates.***

Based on the on the Review Findings, it is ***recommended*** that:

- SE apply a full time resource to the management of the Programme to October 2013 to ensure effective delivery and monitoring of performance against customer service benchmarks, budget, outcomes and core Value for Money measures.
- Performance measures for business client service are reviewed, enhanced where necessary and monitored to assess progress in improving client satisfaction.
- An assessment is made of the effects of the reduction in SE Placement Outcome Targets on the projected Value for Money offered by the Programme.
- The content and format of the graduate training course is reviewed and amended where required to better equip graduates to be effective in the workplace environment and acquire immediately applicable work-place skills (such as project management) not provided in their previous education.
- There is a stated deadline date (e.g. up to 6 weeks after the placement starts (?)) by which the training course must be attended by the graduate.
- Businesses are encouraged to think about the quantification of the graduate's contribution to their business. This might be encouraged by requiring, as part of the application process, quantification of financial benefits of the project the graduate is to be engaged on. The business could then be asked to assess, at the end of the placement, the extent to which these financial projections have been achieved.

# 1 INTRODUCTION

This report records the conduct and findings of a Review of the TalentScotland Graduate Placement Programme (TSGPP) delivered to relationship managed and other growth companies within the Intervention Frameworks:

The Review was conducted by MWC (the Consultants) in accordance with SE guidance on the management and development of Products and was designed to:

- Validate the delivery of the Programme against specification; and
- Identify potential for improvement of service and effectiveness of the Programme.

The objective of this Programme Review is to assess the Programme's implementation by considering:

- The market failure being addressed and its continued relevance;
- The strategic rationale for the Programme;
- Programme performance/usage;
- Performance against objectives;
- An assessment of delivery against the specification contained in the Programme User Guide;

The Review process consisted of:

- An initial briefing meeting between the Consultants and SE executives engaged in the design, implementation and evaluation of the Programme
- A review of relevant information consisting of:
  - The Programme User Guide.
  - The Approval Paper for the Programme.
  - Data on the drawdown of the Programme over the period 2010-2011
- Design, conduct and analysis of a web-based survey of businesses using the Programme to employ a Graduate; and
- Preparation of this report.

The Remainder of this Report is structured as follows:

- **Section 2** revisits the original rationale for intervention and describes the current Programme and its objectives.
- **Section 3** analyses the Programme performance in the period 2008-2011;
- **Section 4** Describes the Business Survey approach and method

- **Section 5** Analyses and interprets the Survey findings
- **Section 6** Synthesises our analysis of the Programme performance and rationale providing conclusions and recommendations.

## 2 PROGRAMME RATIONALE AND DESCRIPTION

### 2.1 BACKGROUND

The Talent Scotland Graduate Placement Programme (TSGPP) was initiated following approval by SE in June 2010. The TSGPP replaced the predecessor Graduates for Business Programme which ran from 2005 to 2009 and built on its forerunner, Graduates into Business, which was introduced in 2002.

The TSGPP is a multi-party Programme supported by TalentScotland, Scottish Enterprise (SE), Highlands & Islands Enterprise (HIE), the Scottish Government (SG), the Association of Graduates Careers Advisory Service (AGCAS), Skills Development Scotland (SDS) and the Scottish Funding Council (SFC).

Scottish Enterprise delivers the Programme on behalf of these partners.

The primary purpose of the Programme is to assist businesses identify graduates with relevant skills to work on defined business development projects in the companies, delivering mutual benefits to both business and graduate.

### 2.2 RATIONALE

The rationale for the Programme was set out in the SE TSGPP approval paper as approved in June 2010. The rationale is founded in long-standing market failures previously used to justify intervention through the predecessor Graduates for Business Programme.

The identified failures were, for recruiting businesses:

- **Positive externalities** - where graduates having been recruited and trained could leave the business taking their skills and benefiting another business;
- **Information deficiencies** - where companies might be unaware of the graduate recruitment process;
- **Scale and institutional barriers** - where businesses have limited capacity to recruit graduates and lack expertise in assessing their career development and progression
- **Consequent path dependencies** - where companies, having never recruited a graduate, become unlikely to do so without external stimulus.

And for graduates;

- **Scale and institutional barriers** - with SMES considered to lack the expertise to develop and train graduates; and
- **Information deficiencies** - with SMES considered unable to provide opportunities for graduates to apply skills and gain knowledge.

Together these failures generated **risk aversion** and resulted in:

- Graduates preferring to pursue opportunities in larger corporations; and
- SMEs retreating from employing recent graduates in favour of recruits with more work experience in their industry or from a similar role in other industries.

## 2.3 TSGPP PRODUCT DESCRIPTION & OBJECTIVES

The TSGPP objectives and description are incorporated in the Product User Guide (PUG). The version of the PUG current at the date of this report is included at **Appendix 1**.

The description, extracted from the PUG states that:

*“TSGPP helps businesses identify graduates with relevant skills to work on projects (piece of defined and measurable work) in the companies. The product will assist companies to progress specific fixed term projects by utilising the services of a graduate. Examples might include market research, social media development, digital marketing development, new product development, business efficiency studies, technical development projects, HR policy development, sales development etc.*

*TSGPP covers costs of recruitment and graduates’ residential training of 2/3 days for graduates placed in the SE area or 5 days for graduates placed in the HIE.”*

A series of Programme objectives and outcomes are identified for SE, the businesses and the graduates.

For **Scottish Enterprise** the *objectives* are:

- To assist companies find cost effective ways to deliver short term projects
- To demonstrate the value that graduates can add to their business/project
- To enhance the company’s capability by adding additional specialist resources e.g. social media development, specialist engineer etc.

The anticipated *outcomes* are:

- Increase company revenue
- Increase innovation and application of knowledge
- Commercialisation activities
- New products/services developed
- New processes developed
- Improved/Increased use of ICT
- Improved marketing/detailed market knowledge
- Increased exporting/global outlook and internationalising
- Improved environmental management

For **Businesses** the *objectives* are:

- To gain additional cost effective specialist resource
- Access to new skills and knowledge e.g. language and cultural skills from international graduates, technical skills from engineering graduate
- Accelerated project timescale due to graduate input

The anticipated *outcomes* are:

- Projects delivered faster
- Higher quality input



- Low risk introduction to graduate employment

For **Graduates** the *objectives* are:

- To gain graduate level work experience
- To improve employability

The anticipated *outcomes* are:

- Commercial experience in a real work environment
- Undertake a commercial project
- Possibility of full time employment with host company
- Business skills, leadership and entrepreneurial training

## 2.4 PRODUCT SUPPORT AND ELIGIBILITY

The PUG provides full details on the Product operation and eligibility which are summarised below.

The TSGPP covers the costs of graduate recruitment and residential training of 2/3 days for graduates placed in the SE area or 5 days for graduates placed in the HIE area.

- TSGPP is open to all Scottish-based companies (including those with foreign ownership), however the most important aspect is a clearly defined measurable company project.
- The project can last from 3-12 months.
- The host company is responsible for paying 100% of the graduate salary set at a minimum rate of £14,000 p.a. pro-rata, although financial support may be available if the project relates to three other SE Products - Innovation Support, Business Improvement Project Support or International Manager for Hire (Introductory)
- The company is not obliged to retain the graduate on a permanent basis, although hopefully the graduate will have demonstrated their value to the company.

## 2.5 SE RESOURCES & OUTCOMES

The Programme approval paper identified total investment in the Programme by SE of £105,000 over the period 2011-13. This investment was to contribute to the costs of employing of a Programme manager within Association of Graduate Careers Advisory Services AGCAS. Total project costs, including other partner contributions and private sector payment of salaries to graduates, were assessed at £10.812m. The SE contribution accordingly represented 1% of total funding and 7% of all public sector funding.

The economic benefits for the Programme were assessed on the basis of the achievement of 240 Placements in *each* year of the Programme and an assumption that each Placement generated 0.4 Net Additional Jobs (including indirect effects). The Programme over the period 2010-2014 was appraised as generating 576 Net Additional job years (of 57.6 FTEs) and cumulative GVA of £24m. These impacts are

geared to securing 240 placements per year (200 of which were to be in the SE area) and would be expected to increase or decrease pro-rata to the number of placements actually secured.

In the light of the recession and associated reductions in recruitment experienced in Scottish businesses the SE placement targets were revised downwards in October 2011. The revised *Placement* Targets were:

- For SE, 285 Placements by October 2013 (a reduction of 52.5% on the original target)
- For HIE, 130 Placements by October 2013 (unchanged from the original target)

## 3 PROGRAMME PERFORMANCE

### 3.1 INTRODUCTION

In preparing this review we were provided with a copy of the Programme “dashboard” for the period ended 31<sup>st</sup> October 2011, in the form of a Power-point presentation with embedded Excel charts and accompanying data. The dashboard summarises key performance measures for the Programme, providing data on:

- TSGPP recruitment to date.
- Jobs created through project extensions or recruitment to a permanent position.
- Categories of projects for which placement requests are made.
- CVs received by Programme to Placement ratio.
- CVs forwarded to business to Placement ratio.

The data presented is cumulative in nature and does not permit analysis through time – although this is less of an issue because the Programme has been running for only 16 months at the date of the last dashboard report.

*Following the review of the Draft Report we were advised that the Dashboard reporting format was to be discontinued, reflecting the resource intensity required in its production, and that alternative Programme Performance monitoring had been introduced. We have therefore presented an analysis of performance up to October 2011 based on the dashboard and supplemented with updates from more recent monitoring, where the measures are consistent.*

### 3.2 CORE PERFORMANCE MEASURES

From the most recent dashboard report (31/10/2011) we have extracted the following data.

- 85 SE Placements filled between June 2010-October 2011.
- 50 HIE Placements filled between June 2010-October 2011.
- 12 jobs created through placement extensions or conversion to permanent employment (57% conversion rate from placements that should have finished by date of report).

Data from SE management information provided for the period to 23<sup>rd</sup> July 2012 suggests that the total of SE Placements under the Programme stands at 201 Filled Placements in the period since June 2010. This data also identifies a total of 70 Placements in recruitment. We have not been provided with corresponding data for the HIE area.

It should be noted that, for SE, the 201 placements secured in the 25 months between June 2010 and July 2012 translates to an annual placement achievement rate of c.100 placements. This rate, if maintained would generate 300 SE placements over the life of the current approval – equivalent to 105% of the revised

target placements established in October 2011.. This rate of achievement would deliver 50% of the SE placement targets included in the original approval, with consequent reductions in core value for money measures.

The dashboard report also provides an analysis of placement requests received by industry sector in the period up to October 2011.

Business Request for Graduate Placement by Industry Sector						
Industry Sector	HIE		SE		All	
	No	%	No	%	No	%
Digital Markets and Enabling technologies	13	12.3%	82	25.7%	95	22.4%
Non Sector	15	14.2%	68	21.3%	83	19.5%
Energy	11	10.4%	37	11.6%	48	11.3%
Food and Drink	16	15.1%	29	9.1%	45	10.6%
Social Enterprise	26	24.5%	4	1.3%	30	7.1%
Life Sciences	2	1.9%	20	6.3%	22	5.2%
Tourism	11	10.4%	10	3.1%	21	4.9%
Textiles	1	0.9%	19	6.0%	20	4.7%
Construction	3	2.8%	12	3.8%	15	3.5%
Aerospace, Defence and Marine		0.0%	13	4.1%	13	3.1%
Financial Services		0.0%	10	3.1%	10	2.4%
Forest Industries	4	3.8%	5	1.6%	9	2.1%
Chemical Sciences		0.0%	7	2.2%	7	1.6%
Creative Industries	4	3.8%	3	0.9%	7	1.6%
<b>Totals</b>	<b>106</b>	<b>100.0%</b>	<b>319</b>	<b>100.0%</b>	<b>425</b>	<b>100.0%</b>

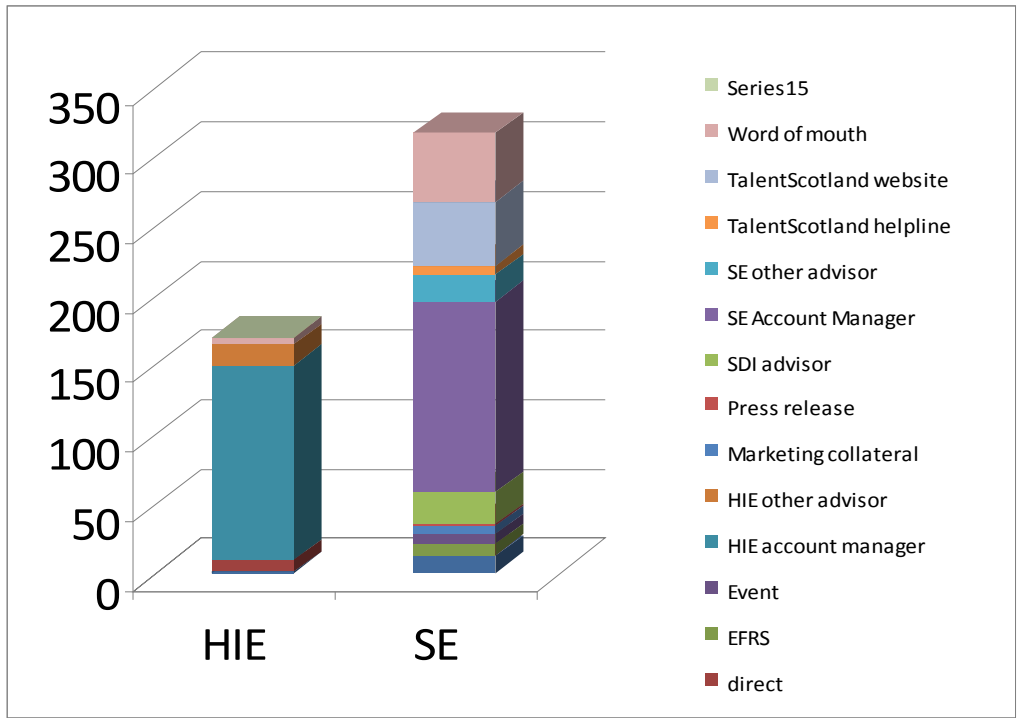
Within the SE area over one quarter of requests are received from businesses in the DMET sector, with the energy sector being the second largest sector-specific source of requests.

Data is also available on the nature of the projects for which placements are requested.

Business Request for Graduate Placement by Project Type						
Type of Project	HIE		SE		All	
	No.	%	No.	%	No.	%
marketing	46	45.1%	57	26.3%	103	32.3%
engineering	4	3.9%	50	23.0%	54	16.9%
processes and systems	12	11.8%	21	9.7%	33	10.3%
business development	16	15.7%	14	6.5%	30	9.4%
product development	15	14.7%	15	6.9%	30	9.4%
web design/web development	3	2.9%	19	8.8%	22	6.9%
market research	1	1.0%	18	8.3%	19	6.0%
other	2	2.0%	9	4.1%	11	3.4%
research and development	2	2.0%	4	1.8%	6	1.9%
HR	1	1.0%	3	1.4%	4	1.3%
sales		0.0%	3	1.4%	3	0.9%
finance		0.0%	2	0.9%	2	0.6%
General Management		0.0%	2	0.9%	2	0.6%
<b>All</b>	<b>102</b>	<b>100.0%</b>	<b>217</b>	<b>100.0%</b>	<b>319</b>	<b>100.0%</b>

Within the SE area the most popular project types for placements are marketing related, closely followed by engineering.

Finally the dashboard report also provides graphical analysis of the referral source for placement requests. This is reproduced below and highlights the importance of Account Managers in generating demand for the Programme.



## 4 BUSINESS SURVEY APPROACH & METHOD

### 4.1 INTRODUCTION

The TSGPP currently provides for end of placement reports to be completed by the graduates placed in businesses. There has not, since the most recent iteration of the Programme, been an evaluation or survey of the businesses participating in the Programme. The business owners and managers are significant beneficiaries of the TSGPP, and as such are best placed to assess the:

- Contribution of the graduate to the business.
- Application of graduate skills and experience to business operations.
- Personal development of the graduate over the placement period.

A direct survey of the business owners and managers was proposed by the Consultants and confirmed as being the most effective means of assessing the recent performance of the Programme for the purposes of this review.

### 4.2 SURVEY APPROACH

The proposed method of research was through a web-based survey using a hosting site providing for on-line completion of the survey, with the survey materials designed by the Consultants. This method was adopted because it allowed for efficient collection and analysis of response at a cost which was proportionate to the available review resources. In addition SE had, through the TSGPP client database, an existing e-mail contacts database. This also allowed the adoption of a census approach to the survey, making the survey questionnaire potentially available to the entire population of participating businesses.

### 4.3 SURVEY MATERIALS AND PROCESS

The inception meeting for the Review included an agenda item on the survey themes and a series of themes proposed by the Consultants was tabled for discussion.

Following these discussions the survey themes were reflected by the Consultants in the design of a draft survey questionnaire which was forwarded to the client group for review and comment. The comments, and agreed amendments, were then incorporated in the final version of the questionnaire, which is included in **Appendix 2**.

The list of potential survey recipients was provided to SE Customer Relations and SE Company Growth for review as part of the organisation's survey control procedures. This led to several potential participants being removed from the survey process. A total of 89 potential respondents were identified and included in the survey.

An e-mail was then distributed to the participants by the SE TSGPP Project Manager, using text prepared by the Consultants. This explained the purpose of the survey and requested participation by the recipient through a hyperlink to the survey-hosting website. Potential respondents were assured that their responses would not be attributed to them or their business and that the findings of the survey would be anonymised and presented in aggregate to SE.

This e-mail was sent on 12<sup>th</sup> March 2012 from which time the survey was open for collection of responses on line. A reminder e-mail was sent to non-responding recipients on 23<sup>rd</sup> March by the Consultants, with repeat reminders sent to addresses which had “bounced” in the period up to 26<sup>th</sup> March. A total of five of these repeat e-mails bounced for a second time, but were not reported as having bounced from the first SE e-mail. Therefore a minimum of 84 and a maximum of 89 potential respondents received the initial survey request and/or follow up requests.

At the date of this draft report a total of 41 responses had been received, although the survey remains open for completion. This represents a response rate of 46%.

## 5 BUSINESS SURVEY FINDINGS

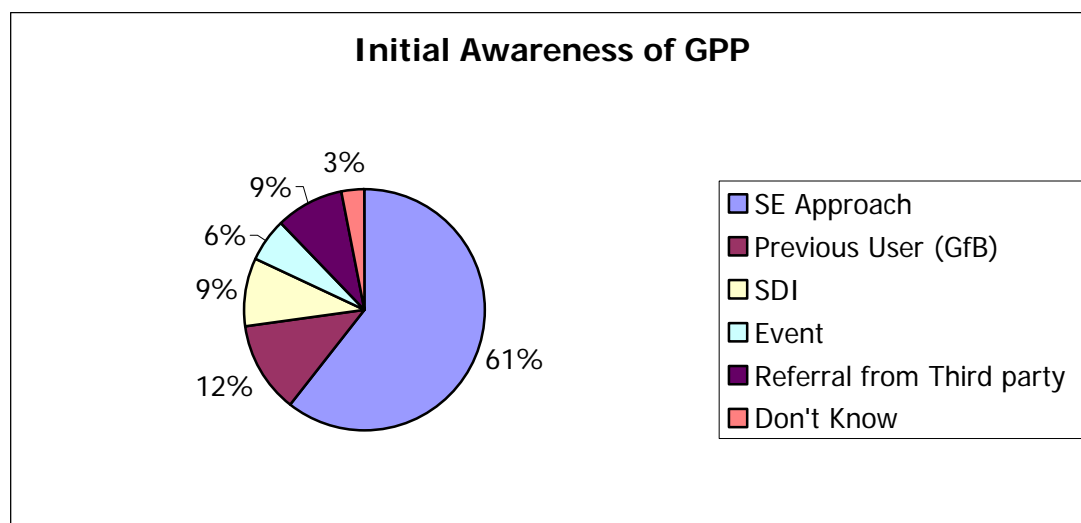
### 5.1 INTRODUCTION

In this section of the report we present and comment on the survey results as they relate to:

- Reasons for involvement in the TSGPP
- Duration of Graduate engagement
- Areas of business Graduate has worked in
- Assessment of Graduate Skills
- Contribution of the Graduate to the business
- Effectiveness of Graduate Training Course
- Additionality of the Placement
- Graduate Retention
- Attitude Changes
- Rating of TSGPP and its processes

### 5.2 INVOLVEMENT IN THE TSGPP

We initially asked businesses how they had first become aware of the TSGPP. The 33 responses we received are presented below.

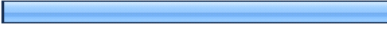




The most often reported awareness-raising source was through an approach from SE and this was attributed by many to their Account Manager. SDI was also cited as introducing the Programme to three participants. Referrals generated from third parties and at events were not significant generators of awareness. The repeat use from four previous users of the predecessor Graduate for Business (GfB) Programme suggests these businesses were satisfied users of that Programme and had derived benefit from it.

We next asked the participants to explain why they chose to use the TSGPP as a route through which to employ a graduate. The responses received are presented below in an extract from the Survey Report.



**18. What aspects of the Programme influenced your decision to proceed to taking up a Graduate? (Please select all that apply)**

		Response Percent	Response Count
Access to a pool of potential applicants		80.6%	25
Streamlined advertising, screening and selection process		67.7%	21
Advice and assistance from Programme managers		45.2%	14
	Other (please specify)		5
<b>answered question</b>			<b>31</b>
<b>skipped question</b>			<b>11</b>

Respondents were most influenced by the access through the TSGPP to a pool of potential applicants, and two-thirds were also attracted by the streamline process. The potential availability of advice and assistance from the Programme managers was also a factor influencing the engagement of almost half of the respondents.

The five “other” responses all related to the availability of financial assistance for the employment of a graduate.

There are clear resonances in these responses of the market failures identified in establishing the Programme rationale, and referred to previously in **Section 2.2**. Businesses value access to information and assistance with the processes of graduate identification and recruitment, overcoming information failures and institutional barriers.

### **5.3 DURATION OF GRADUATE ENGAGEMENT**




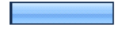







We asked the respondents to provide the placement start dates and, where the placement had ended, the finish date. From our analysis of responses we identified a total of 26 responses relating to ongoing placements and 13 covering completed placements (two respondents did not provide answers to this question). The earliest start dates recorded in our survey were from January 2011 and the most recent was 12<sup>th</sup> March 2012.

### **5.4 AREAS OF BUSINESS WORKED IN BY GRADUATES**




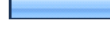
We asked respondents to select which areas of their business the graduate had worked in during their placement. Their responses are detailed in the extract from the survey report. Respondents could select multiple areas of their business and it is clear from the responses that graduates were most often engaged in new product and market development. There was also significant involvement in process improvement and the use or application of ICT. These findings are also consistent

with the profile of placement requests identified from Programme performance measures presented in Section 3.2.

It is encouraging to note that the areas graduates are most often engaged in are particularly associated with driving and facilitating business growth.


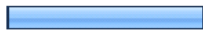


5. In which areas of your business was the Graduate involved? (Please select all that apply)			
		Response Percent	Response Count
New Product or Service Development		41.2%	14
Existing Product or Service development		41.2%	14
Market Development (UK)		41.2%	14
Market Development (Export)		20.6%	7
Process design or improvement		35.3%	12
Finance		8.8%	3
Information and Communications Technology		35.3%	12
Human Resources		2.9%	1
Strategy Development		17.6%	6
Business Planning		5.9%	2
Sales		17.6%	6
	Other (please specify)		9
<b>answered question</b>			<b>34</b>
<b>skipped question</b>			<b>8</b>

We next asked respondents to identify the management grade at which the graduate was working at the start of the placement.

6. At what level was the Graduate working at the start of the Placement period?			
		Response Percent	Response Count
Administrative		35.3%	12
Junior Executive		32.4%	11
Executive		11.8%	4
Junior Management		20.6%	7
Senior Management		0.0%	0
answered question			34
skipped question			8

Two-thirds of graduates were assessed as occupying administrative or junior executive positions at the beginning of their placement, although a fifth were engaged as junior managers. Unsurprisingly none were engaged in senior management.

We then asked respondents to identify the grade at which graduates were engaged either currently or, where applicable, at the end of the period.

7. And at what level was the Graduate working at the end of the Placement period? (where Placement period has not yet ended please select the current level at which Graduate is working)			
		Response Percent	Response Count
Administrative		21.2%	7
<b>Junior Executive</b>		<b>39.4%</b>	<b>13</b>
Executive		15.2%	5
Junior Management		24.2%	8
Senior Management		0.0%	0
answered question			33
skipped question			9

The results demonstrate some progression with the modal response progressing from the Administrative to Junior Executive grade and in both cases, one more graduate recorded as being engaged as an executive or junior manager.

It should be stressed that the roles of graduates will vary depending on the size of the business, its management structure and promotion policies.

## **5.5 ASSESSMENT OF GRADUATE SKILLS**

We asked our respondents to provide an assessment of the core management skills of the graduates they engaged through the Programme. Again, we asked them to provide this assessment at the start of the placement and either currently or at the end of the placement.

The results, for the start of the Programme are detailed below.

- Skills in two areas – written and verbal communication and ICT were assessed by the majority of respondents as being strong at the outset of the Programme.
- Importantly, graduate skills in strategic planning, leadership, project management, decision making and presentation were reported to be adequate by a majority of respondents.
- A majority of respondents reported that graduates had no skills in Human Resource management – perhaps not surprising as new graduates are unlikely to have experience in managing people in a work environment. Respondents also reported lower levels of skill in the core business operational areas of sales & marketing and finance.

**8. Please provide your assessment of the Graduate's skill-set when they were first employed with your business.**

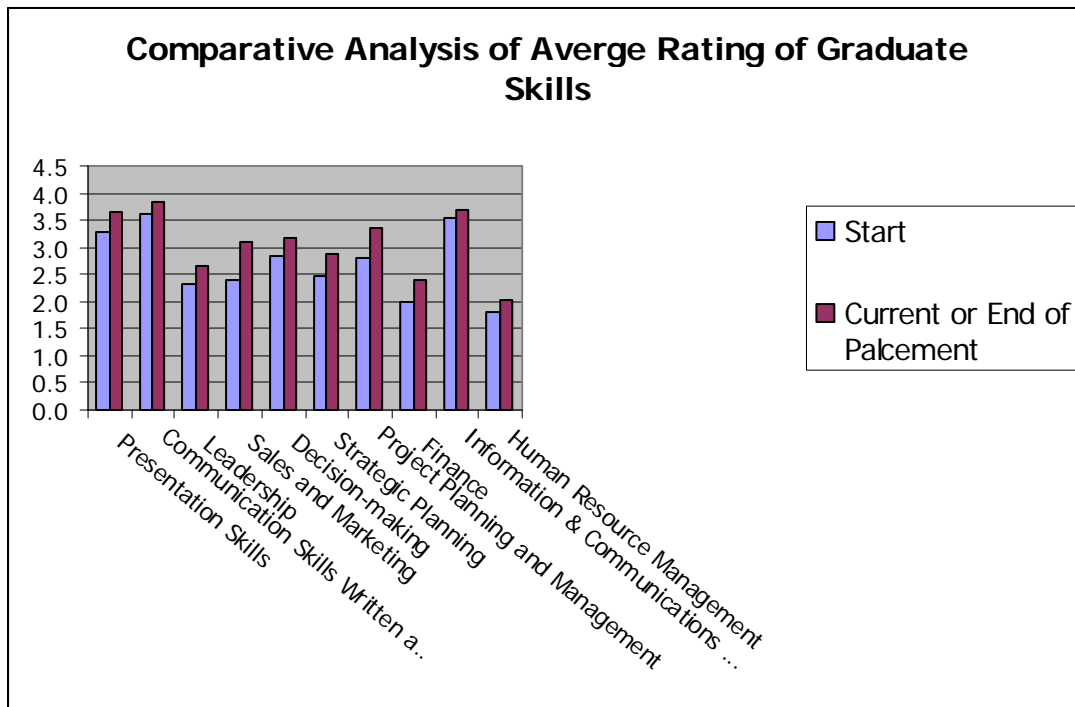
	None	Basic	Adequate	Strong	Advanced	Rating Average	Response Count
Presentation Skills	0.0% (0)	11.8% (4)	<b>50.0% (17)</b>	35.3% (12)	2.9% (1)	3.29	34
Communication Skills Written and Verbal	0.0% (0)	11.4% (4)	31.4% (11)	<b>42.9% (15)</b>	14.3% (5)	3.60	35
Leadership	18.8% (6)	34.4% (11)	<b>40.6% (13)</b>	6.3% (2)	0.0% (0)	2.34	32
Sales and Marketing	21.9% (7)	<b>34.4% (11)</b>	28.1% (9)	15.6% (5)	0.0% (0)	2.38	32
Decision-making	5.7% (2)	31.4% (11)	<b>37.1% (13)</b>	25.7% (9)	0.0% (0)	2.83	35
Strategic Planning	15.2% (5)	33.3% (11)	<b>39.4% (13)</b>	12.1% (4)	0.0% (0)	2.48	33
Project Planning and Management	5.9% (2)	29.4% (10)	<b>41.2% (14)</b>	23.5% (8)	0.0% (0)	2.82	34
Finance	34.4% (11)	<b>37.5% (12)</b>	21.9% (7)	6.3% (2)	0.0% (0)	2.00	32
Information & Communications Technology	2.9% (1)	8.8% (3)	32.4% (11)	<b>44.1% (15)</b>	11.8% (4)	3.53	34
Human Resource Management	<b>53.3% (16)</b>	26.7% (8)	10.0% (3)	6.7% (2)	3.3% (1)	1.80	30
					<b>answered question</b>		<b>35</b>
					<b>skipped question</b>		<b>7</b>

When asked to re-assess the graduate skills now, or on their completion of the placement the businesses provided the responses presented below.

The results show progression in the strength of graduate skills in all areas– this is best demonstrated by comparing the rating averages of graduates at the start of the placement with those at the time of the survey or completion of the placement. This comparative analysis is also presented below. The greatest improvements in assessed levels of skills are within Finance and Sales & Marketing. Also of note is the progression in presentation skills, strategic planning, and project planning and management which are all most frequently assessed as being “strong” where they were previously most frequently assessed as “adequate”.

**9. Please provide your assessment of the Graduate's skill-set either now (if they are still in employment with the business) or at the point when their Placement finished**

	None	Basic	Adequate	Strong	Advanced	Rating Average	Response Count
Presentation Skills	0.0% (0)	6.3% (2)	31.3% (10)	<b>53.1%</b> (17)	9.4% (3)	3.66	32
Communication Skills Written and Verbal	0.0% (0)	9.1% (3)	21.2% (7)	<b>45.5%</b> (15)	24.2% (8)	3.85	33
Leadership	16.1% (5)	19.4% (6)	<b>48.4%</b> (15)	16.1% (5)	0.0% (0)	2.65	31
Sales and Marketing	9.7% (3)	9.7% (3)	<b>45.2%</b> (14)	32.3% (10)	3.2% (1)	3.10	31
Decision-making	0.0% (0)	19.4% (6)	<b>41.9%</b> (13)	38.7% (12)	0.0% (0)	3.19	31
Strategic Planning	12.9% (4)	22.6% (7)	29.0% (9)	<b>35.5%</b> (11)	0.0% (0)	2.87	31
Project Planning and Management	6.3% (2)	9.4% (3)	28.1% (9)	<b>56.3%</b> (18)	0.0% (0)	3.34	32
Finance	18.5% (5)	25.9% (7)	<b>51.9%</b> (14)	3.7% (1)	0.0% (0)	2.41	27
Information & Communications Technology	0.0% (0)	3.1% (1)	37.5% (12)	<b>46.9%</b> (15)	12.5% (4)	3.69	32
Human Resource Management	<b>42.9%</b> (12)	25.0% (7)	21.4% (6)	7.1% (2)	3.6% (1)	2.04	28
<b>answered question</b>							<b>33</b>
<b>skipped question</b>							<b>9</b>



## 5.6 GRADUATE CONTRIBUTION TO THE BUSINESS

Our survey explored a number of aspects of the contribution of the graduate to the performance of the business. We also provided an opportunity for respondents to quantify this contribution where possible.

We first asked businesses to assess in general terms the level of contribution of the graduate to the performance of their business. The responses received are summarised below.

12. How would you describe the contribution of the Graduate to the performance of your business over the period of the Placement?			
		Response Percent	Response Count
No discernible contribution		0.0%	0
Marginal contribution	<div style="width: 20%; background-color: #4F81BD; height: 10px;"></div>	20.0%	7
<b>Full contribution</b>	<div style="width: 62.9%; background-color: #4F81BD; height: 10px;"></div>	<b>62.9%</b>	<b>22</b>
Exceptional contribution	<div style="width: 17.1%; background-color: #4F81BD; height: 10px;"></div>	17.1%	6
<b>answered question</b>			<b>35</b>
<b>skipped question</b>			<b>7</b>

Eighty percent of respondents considered that the graduate had made a full or exceptional contribution to the business and the balance assessed the contribution as marginal. None of our respondents considered the graduates to have not contributed to business performance.

We then asked whether the graduate’s contribution had been in line with the businesses’ expectations.

<b>13. Was the contribution of the Graduate to the performance of your business</b>			
		<b>Response Percent</b>	<b>Response Count</b>
Below your expectations		8.6%	3
<b>In line with your expectations</b>		<b>54.3%</b>	<b>19</b>
Above your expectations		37.1%	13
<b>answered question</b>			<b>35</b>
<b>skipped question</b>			<b>7</b>







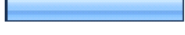



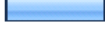
Just over half of respondents consider their graduates’ contribution to be in line with their expectations and almost 40% had their expectations exceeded. Less than 10% saw a contribution to business performance below their expectations.

We then asked the respondents to identify ways in which graduates had contributed to the performance of their business.

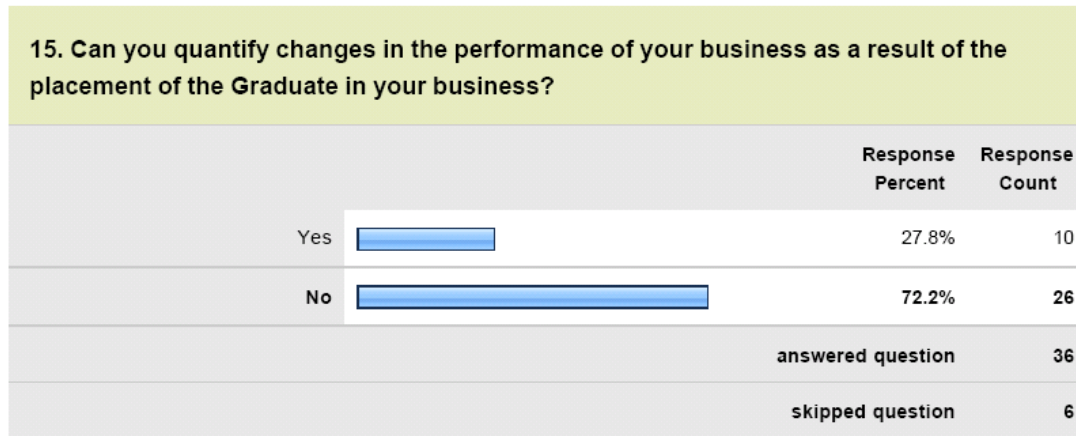
The most cited source of contribution was through increasing penetration in an existing market which was identified by 45% of respondents. Graduates were also influential in improving delivery processes, reducing costs through efficiency improvements and bringing new products or services to market. These are important areas for growing businesses seeking to increase sales whilst keeping control of costs.



**14. Over the period of the Placement has the Graduate contributed to your business by:  
(please select all that apply)**

		<b>Response Percent</b>	<b>Response Count</b>
Developing a new Product or Service		29.0%	9
Bringing a new Product or Service to market		32.3%	10
<b>Increasing penetration in an existing Market (UK)</b>		<b>45.2%</b>	<b>14</b>
Increasing penetration in an existing Market (Export)		12.9%	4
Entering a new Market (UK)		3.2%	1
Entering a new Market (Export)		12.9%	4
Reducing costs through improved efficiency		35.5%	11
Improving an existing product or service Delivery Process		38.7%	12
Implementing a new product or service Delivery Process		16.1%	5
Improving ICT infrastructure		16.1%	5
Applying ICT to further develop the business		19.4%	6
Improving the effectiveness of Human Resources management		0.0%	0
		Other (please specify)	6
<b>answered question</b>			<b>31</b>
<b>skipped question</b>			<b>11</b>

We asked our respondents if they could quantify the changes in performance of their business as a result of the graduates' contribution.



However, when we then asked those confirming they could to provide quantifiable measures they largely failed to do so. We have reported the results below of those six respondents who provided quantification of benefits. .

**These results are presented here for completeness and we would caution against attribution of these to the Programme, due to the small number of respondents and the fact that the results are skewed by one specific respondent. In addition the responses have not been subject to further investigation or query to confirm attribution to the Programme and tests of additionality.**




	Placement Year	Placement Year +1	No. of Respondents
Cost Reductions	£67,750	£100,000	3
Turnover Increase	£150,750	£1,535,000	5
Capital Investment	£325,000	£1,500,000	1

We would also advise that any future evaluation of the Programme which provides for face-to-face interviewing of business participants explores the quantifiable benefits of the Programme in greater depth.

## **5.7 GRADUATE TRAINING PROGRAMME**

The TSGPP provides a bespoke two to three day training course which is designed to enhance the development and application of graduate skills for business. We asked respondents to confirm whether their placed graduate had attended this course.

**10. Did the Graduate placed with your business attend the three day Graduate Training Programme?**

		Response Percent	Response Count
Yes		65.8%	25
No		23.7%	9
Don't know		10.5%	4
<b>answered question</b>			<b>38</b>
<b>skipped question</b>			<b>4</b>

The majority of respondents confirmed that their placed graduate had attended the training course although over 10% of respondents did not know if this was the case.

We then asked those respondents who were aware that their graduate had been on the course, for their observations on any changes in the graduates' skill set. The specific skill sets we asked about were aligned with the prospectus for the course.

**11. Can you please describe any changes in specific aspects of the Graduate's skill set after their completion of the Graduate Training Programme?**



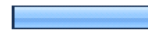

	No Change	Marginal Improvement	Clear Improvement	Significant Improvement	Response Count
Strategic Business Planning	45.5% (10)	27.3% (6)	27.3% (6)	0.0% (0)	22
Presentation Skills	50.0% (11)	13.6% (3)	36.4% (8)	0.0% (0)	22
Market Research	38.1% (8)	33.3% (7)	23.8% (5)	4.8% (1)	21
Selling and Value Propositions	45.5% (10)	27.3% (6)	22.7% (5)	4.5% (1)	22
Developing new markets	42.9% (9)	28.6% (6)	28.6% (6)	0.0% (0)	21
<b>answered question</b>					<b>22</b>
<b>skipped question</b>					<b>20</b>

The modal response to this question in all cases was an observation of no changes in the Graduate skill set after completion of the course. There were only two reports of significant improvement. The area showing greatest clear improvement was presentation skills.

We would suggest that it might be difficult for businesses to clearly identify changes in skill sets immediately after completion of the course, and there may also be limited opportunities for some graduates in some placements to demonstrate these new skills.

## 5.8 ADDITIONALITY OF THE PLACEMENT





We first asked our respondents what might have happened if they had not used the Programme to recruit a graduate into their business.

19. What do you think would have happened if you had not used the Programme to recruit a graduate into your business?			
		Response Percent	Response Count
<b>The business would not have recruited an additional staff member</b>		30.3%	10
The business would have recruited a graduate from another source at the same time (e.g. recruitment agency or internal recruitment process)		12.1%	4
The business would have recruited an additional staff member at the same time but not necessarily a recent graduate		27.3%	9
<b>The business would have delayed recruitment of an additional staff member</b>		30.3%	10
		<b>answered question</b>	<b>33</b>
		<b>skipped question</b>	<b>9</b>

These responses suggest moderate levels of absolute additionality (30% of respondents would not have recruited an additional member of staff) and time additionality (a further 30% would have delayed recruitment of an additional staff member). We conclude from this that the Programme is providing businesses with opportunities to expand their staff and operations which might not otherwise occur. Taken together with our previous observations on the importance of graduate contributions to market growth and efficiency improvements then we can conclude that the Programme is making an important contribution to company development which might not happen or would be delayed.




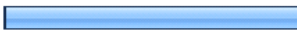
We asked those businesses who would have employed another member of staff at the same time, but not necessarily a graduate, why they might not have chosen a graduate.

**20. Where you would have employed another member of staff, not necessarily a graduate, are there any particular reasons you might not have employed a graduate?  
(Please select all that apply)**

		Response Percent	Response Count
Not aware of how to access a pool of graduate candidates		37.5%	3
Wanted an employee with pre-existing experience of the workplace		37.5%	3
<b>Wanted pre-existing experience or skills gained in your specific industry</b>		<b>87.5%</b>	<b>7</b>
Not convinced of the value a graduate might bring to your business		12.5%	1
	Other (please specify)		0
		<b>answered question</b>	<b>8</b>
		<b>skipped question</b>	<b>34</b>

The most cited reason for not considering recruitment of a graduate was a pre-determined requirement for a staff member with existing skills gained in the businesses' industry. Of particular relevance to the TSGPP was the 37.5% of respondents who stated that they were not aware how to access a pool of graduates and the 12.5% who were not convinced of the value a graduate might bring to their business.

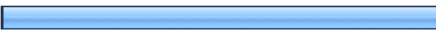

We also asked the respondents about what might have happened to the projects the graduates were engaged on if the placement had not proceeded.

21. And what would have happened with the Project(s) the Graduate was working on if you had not used the Programme to employ a graduate?			
		Response Percent	Response Count
The Project(s) would not have progressed at all		9.4%	3
The Project(s) would have progressed at the same time using existing staff resources		12.5%	4
The Project(s) would have progressed at the same time using additional staff resources		18.8%	6
<b>The Project(s) would have been delayed</b>		<b>59.4%</b>	<b>19</b>
<b>answered question</b>			<b>32</b>
<b>skipped question</b>			<b>10</b>





Again there is evidence of time additionality with almost 60% of respondents saying the project would have been delayed. A further 10% suggested that the project would not have progressed at all in the absence of the placement.

### 5.9 GRADUATE RETENTION

We asked the respondents if the graduate placed with them was still employed in the business and 29 of the 33 respondents confirmed this to be the case.


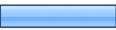




22. Is the Graduate placed with your business still employed in the business?			
		Response Percent	Response Count
Yes		87.9%	29
No		12.1%	4
<b>answered question</b>			<b>33</b>
<b>skipped question</b>			<b>9</b>

We then explored the reasons for continued employment which revealed that of the 29 still employed 26 were still on their placement. In relation to these three employees employed beyond the end of their placement, respondents cited multiple reasons for the continued employment.

24. Why did you choose to employ the Graduate on a permanent basis? (Please select all that apply)			
		Response Percent	Response Count
To continue the implementation of the Placement Projects(s)		50.0%	2
<b>Because their skills were important to the continued success of the whole business</b>		75.0%	3
<b>Because they were an effective team member</b>		75.0%	3
Because of the commitment shown to the business by the Graduate		50.0%	2

## 5.10 ATTITUDE CHANGES

We asked respondents the extent to which their engagement in the TSGPP had changed their attitudes to graduate employment. We also asked if, as a result of the Programme, their business had undergone changes in its approach to development.

25. As a result of your involvement with the Graduate Placement Programme is your business: (Please select all that apply)			
		Response Percent	Response Count
<b>More likely to employ a newly qualified Graduate in future</b>		90.0%	27
More likely to further develop your Products or Services		23.3%	7
More likely to enter new markets		23.3%	7
More effective in its use of ICT		26.7%	8
Better at making strategic decisions		6.7%	2
More efficient in its use of resources		16.7%	5
<b>answered question</b>			<b>30</b>
<b>skipped question</b>			<b>12</b>

Most importantly for the TSGPP, 90% of our 30 respondents to this question were now more likely to employ a newly qualified graduate in future. There was less conclusive endorsement of other changes in behaviour, although around a quarter of businesses were more likely to engage in product or market development and be more effective in their use of ICT.



## 5.11 RATING OF TSGPP AND ITS PROCESSES

When asked if they would recommend the TSGPP to other businesses an overwhelming 97% confirmed they would do so.

We asked businesses if they could rate a series of aspects of the Programme and its administration.

27. Can you please rate the following aspects of the Programme?						
	Poor	Adequate	Good	Very Good	Rating Average	Response Count
Communications	9.4% (3)	34.4% (11)	<b>50.0% (16)</b>	6.3% (2)	2.53	32
Sifting and Short-listing of candidates	9.4% (3)	<b>43.8% (14)</b>	18.8% (6)	28.1% (9)	2.66	32
Administration after Selection of preferred candidate	6.3% (2)	25.0% (8)	<b>59.4% (19)</b>	9.4% (3)	2.72	32
Aftercare during Placement	3.3% (1)	<b>53.3% (16)</b>	36.7% (11)	6.7% (2)	2.47	30
				<b>answered question</b>		<b>32</b>
				<b>skipped question</b>		<b>10</b>

Communications and administration after candidate selection were most often identified as being “good”. The assessment of sifting and short listing of candidates is inconsistent with most (44%) assessing this as adequate but with a greater proportion considering it to be “very good” (28%) rather than “good” (18%). This might suggest that there have been variations in the service provided or significant differences in the expectations of the client businesses.

Overall, the responses provided to our question suggest there is room for improvement in the service provided to the client businesses

We provided respondents with the opportunity to add further comments not covered elsewhere in the survey. We received three additional comments.

One referred to changes in Talent Scotland personnel during the recruitment process which had introduced delay and confusion. Another considered the response to their advertisement to be poor given the potential supply of graduates. The third endorsed the Programme stating that it was

*“An excellent way to develop a key member of staff hopefully into a permanent position at a time of severe financial pressure”.*

Finally, we provided the respondents with an opportunity to suggest potential improvements to the Programme. Six respondents provided comments, and we have recorded these in full (on a non-attributable basis) in **Appendix 2**.

The suggested improvements related to a number of aspects of the Programme – specifically:



- Wider promotion of the programme and advertising of placement opportunities
- Ensuring graduates complete the training course in the early stages of their placement.
- More focused filtering of applications to better match candidates with available placements.
- Provision of pre-interview training for graduates to better prepare them for the selection process.

## 6 CONCLUSIONS AND RECOMMENDATIONS

### 6.1 INTRODUCTION

In this concluding section of our report we summarise the findings of the research amongst businesses and provide a series of recommendations based on these and our analysis of Programme performance figures.

### 6.2 SUMMARY RESEARCH FINDINGS

Our survey research amongst the businesses with TSGPP graduates on placement has demonstrated that:

- The TSGPP is valued by businesses because it gives access to a pool of graduates and a streamlined selection process.
- Graduates are most often engaged in product and service development, process improvement and the application of ICT.
- At the outset the majority of graduates are employed at administrative or junior executive level with demonstrable progression over the course of the placement to executive and management positions.
- Graduates were assessed at the start of the placement as having strong communication and ICT skills.
- In the course of the placement businesses report progression in the strength of graduate skills in all areas.
- Eighty percent of respondents considered that the graduate had made a full or exceptional contribution to the business with the remainder assessing their contribution as marginal.
- The areas where graduates had contributed most included increasing penetration in existing markets, improving delivery processes, reducing costs and bringing new products or services to market.
- Only a small number of businesses were willing or able to quantify the financial contribution of the graduate to their business.
- Many businesses could not identify changes in graduate skills after their completion of the three day training programme.
- The Programme demonstrates both absolute (in a third of cases) and time additionality (a further third), stimulating additional recruitment and bringing forward recruitment and associated development projects within the business.
- Businesses have a more positive attitude to new graduate recruitment with 90% more likely to do so in the future.
- There is room for improvement in the management and administration of the Programme.

- Suggested improvements to the Programme include: wider promotion of the Programme and more extensive advertising of placements; more focused filtering of applications; provision of interview training; and earlier access of graduates to the training course provided as part of the placement contract.

### 6.3 PROGRAMME PERFORMANCE AGAINST SPECIFICATION

The TSGPP is assessed as delivering against its objectives for business. It is providing assistance to graduate recruitment and removing some of the transactions costs and information barriers which prevent SMEs recruiting graduates. It is encouraging to note that 90% of the businesses responding to our survey are now more likely to recruit a graduate, suggesting that there is some evidence of market adjustment. Furthermore 97% of businesses would recommend the Programme to others, suggesting that it is generating positive results and adding value to the graduate recruitment process.

A conclusion on wider market adjustment amongst businesses against the failures identified in the original Programme rationale (reproduced in Section 2.2) would require a survey of potential recruiting businesses (not just those participating to date in the Programme). However the fact that 90% of the businesses now having recruited a graduate were more likely to do so suggests that the path dependencies referred to in the market failure rationale were being addressed in **participating businesses**. It might also be the case that information deficiencies in the **participating businesses** had in part been addressed. However, the failures in relation to positive externalities and scale and institutional barriers may still exist in participating businesses and the population of smaller and growing businesses.

The areas of the businesses in which the Graduates are placed, and most highly rated, are consistent with the types of projects being promoted through the Programme – product development, market expansion, process improvement and application of ICT. These functions are also all consistent with the stimulation of business growth.

There is also evidence of benefits for the graduates (although we did not survey graduates) with our survey demonstrating business perceptions of improvement in skills and a degree of progression in grade of employment as the placements progressed.

We also found evidence of absolute and time additionality in both the recruitment of the graduates and the progression of the projects they were employed on.

The businesses were able to confirm that the graduates placed with them had contributed to the performance of their business and for most that contribution was either in line with or beyond their expectations when first engaging with the Programme. However very few of the business were willing, or able, to quantify the contribution to financial performance. This may be a consequence of using a survey method which did not provide for challenge or probing of respondents or may reflect the general reticence of survey respondents to provide financial information.

Overall we would conclude that the Programme activity is contributing towards the achievement of the Programme **objectives** identified for **Scottish Enterprise**.

Objective	Evidence of Achievement
Assisting companies find cost effective ways to deliver short term projects	Graduates are most often engaged in product and service development, process improvement and the application of ICT.
Demonstrating the value that graduates can add to their business/project	Participating businesses identifying Contribution to business performance in line with or exceeding their expectations. Eighty percent of respondents considered that the graduate had made a full or exceptional contribution to the business
Enhancing the company's capability by adding additional specialist resources.	<p>The TSGPP is valued by businesses because it gives access to a pool of graduates and a streamlined selection process.</p> <p>The Programme demonstrates both absolute (in a third of cases) and time additionality (a further third), stimulating additional recruitment and bringing forward recruitment and associated development projects within the business.</p>

The Programme can also be assessed as contributing towards the **outcomes** specified for **Scottish Enterprise**.

Planned Outcome	Evidence of Achievement
Increasing company revenue	<p>Our research suggests that the activity facilitated through the Programme is Increasing company revenue (although our survey had very limited evidence on the scale of this increase)</p> <p>Participating businesses identify contribution to business performance in line with or exceeding their expectations.</p>
Increasing innovation, application of knowledge and commercialisation	Graduates are most often engaged in product and service development, process improvement and the application of ICT.
Assisting New product and service development	<i>Placed graduates are identified as being most often engaged in product, service and process development.</i>
Developing new processes	<i>Placed graduates are identified as being most often engaged in product, service and process development.</i>

Improving and increasing use of ICT	<i>The ICT skills of placed graduates are highly rated.</i>
Improving marketing/detailed market knowledge	<i>Placed graduates are most often identified as contributing to the businesses by increasing UK market penetration.</i>
Increased exporting/global outlook and internationalising	<i>A minority of businesses confirmed placed graduates were contributing to their businesses by assisting it in entering export markets.</i>
Improved environmental management	<i>Whilst not specifically evidenced this might be anticipated as occurring as an integral part of placed graduate contribution to process improvement.</i>

Reduction in the Programme targets from those set out in the original approval will directly affect the core Programme value for money measure (Ratio £ Net Additional GVA generated to £ SE Expenditure).

It is also apparent from our survey that the current Graduate training course is having limited discernible impact on Graduate skills. It has also been suggested that the course is not always being delivered at an early stage in the placement, limiting its potential effectiveness.

As with any service there is always room for improvement of service to the client business. We consider that, based on survey responses on the management and administration of the Programme, there is potential to improve service to a point where all aspects are assessed by a majority of clients as being “Good” or “Very Good”.

## **6.4 RECOMMENDATIONS**

Based on the foregoing we would suggest:

- Performance measures for business client service are reviewed, enhanced where necessary and monitored to assess progress in improving client satisfaction.
- The content and format of the graduate training course is reviewed and amended where required to better equip graduates to be effective in the workplace environment and acquire immediately applicable work-place skills (such as project management) not provided in their previous education.
- There is a stated deadline date (e.g. up to 6 weeks after the placement starts (?)) by which the training course must be attended by the graduate.
- Businesses are encouraged to think about the quantification of the graduate’s contribution to their business. This might be encouraged by requiring, as part of the application process, quantification of financial benefits of the project the graduate is to be engaged on. The business could then be asked to assess, at

the end of the placement, the extent to which these financial projections have been achieved.

Following circulation of the draft report and a workshop session with the Products and Evaluation Teams a number of observations and clarifications were provided.

Of greatest importance was the clarification of Placement Targets for the SE area which were stated to have been reduced from 600 to 285 in October 2011. This change is reflected in Section 2.5 of this report.

The workshop session endorsed the draft findings of the review and further observed that:

- The performance of the Programme in securing placements had substantially improved following the introduction of Graduate salary contributions in specified sectors. The introduction of these contributions reflected the general reductions in recruitment during the recession and the introduction of salary contributions through alternative support schemes.
- The Programme had not secured a permanent manager over the period of implementation to date and had been managed by a series of part time managers who had worked hard to maintain a flow of graduates. However, it was felt that this approach to staff resourcing had not allowed momentum to grow as it might, and also introduced inefficiencies through requirements for regular handovers and learning.

**Consequently we would further recommend that SE apply a full time resource to the management of the Programme to October 2013 to ensure effective delivery and monitoring of performance against customer service benchmarks, budget, outcomes and core Value for Money measures.**

**APPENDIX 1**  
**PRODUCT USER GUIDE**  
**TSGPP**

## SCOTTISH ENTERPRISE CONSISTENT PRODUCTS

<b>Product Name:</b>	TalentScotland Graduate Placement Programme
<b>Document Type:</b>	Product User Guide Template

<b>Release Version No:</b>	V4.0	<b>Product Team Lead:</b>	Reni Onayemi
<b>Date Issued:</b>	01/11/2011	<b>Product Delivery Lead:</b>	Reni Onayemi
<b>Document Location. Master copy on CRM:</b>	CRM System product record.		

<b>Document Location. The master copy of this document is held online on:</b>	CRM under product record in attachment section
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### Revision History

Revision Date	Previous Name	Summary of Changes
11/07/11	TalentScotland Graduate Placement Programme v1.0	Update of description and process to for subsidised placements to support Business Improvement, Innovation and internationalisation projects
29/08/11	TalentScotland Graduate Placement Programme v2.0	Update to process following funding contribution element
01/11/11	TalentScotland Graduate Placement Programme v3.0	New template & minor updates to text

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### Approval

This document requires the following approval. Signed approval forms are filed with the SE Product Team.

Name	Title	Date
David Quinn	Operational Management Develop Senior Manager	



**Note** Version control for this document is managed by the SE Product Team. All changes should be discussed and agreed with the Product Team who will then be responsible for communication to SE.

Budget Code	CRM Product ID	Product T-Code
PS7104	2055	T403

Relationship to Intervention Framework(s)
<p>TSGPP sits within the Business Improvement Intervention Framework under:- <u>Level 1</u></p> <ul style="list-style-type: none"> <li>• Low cost, high volume, 1:many.</li> <li>• Primarily aimed at non-DRM, prospects, growth pipeline.</li> <li>• Information/event/workshop-based.</li> <li>• Outputs - primarily information and generating referral to other more complex SE services.</li> </ul>

Description of the Product
<p>The TalentScotland Graduate Placement program (TSGPP) replaced former 'Graduates for Business' programme in June 2010. It is a multi-party Programme supported by TalentScotland, Scottish Enterprise (SE), Highlands &amp; Islands Enterprise (HIE), the Scottish Government (Scot Govt), Association of Graduates Careers Advisory Service (AGCAS), Skills Development Scotland (SDS) and the Scottish Funding Council (SFC).</p> <p>This product is delivered by Scottish Enterprise on behalf of the partners outlined above.</p> <p>TSGPP helps businesses identify graduates with relevant skills to work on projects (piece of defined and measurable work) in the companies. The product will assist companies to progress specific fixed term projects by utilising the services of a graduate. Examples might include market research, social media development, digital marketing development, new product development, business efficiency studies, technical development projects, HR policy development, sales development etc.</p> <p>TSGPP covers costs of recruitment and graduates' residential training of 2/3 days for graduates placed in the SE area or 5 days for graduates placed in the HIE.</p> <p>Product Details</p> <ul style="list-style-type: none"> <li>• Open to all Scottish based companies (including those with foreign ownership), however the most important aspect is a clearly defined measurable company project</li> <li>• Project can last from 3-12 months</li> </ul>

- Host company is responsible for paying 100% of the graduate salary set at a minimum rate of £14,000 p.a. pro rata\*
- Graduates can either be graduates from Bachelors or masters degrees and can be of non-UK nationality but must have a valid work visa.
- International graduates will bring language and cultural skills that will benefit a company
- Company defines project and graduates skills required, SE advertises the placement opportunity and receives all applications. Applications are screened and a shortlist is sent to the company who is responsible to interview and appoint a graduate
- SE will supply each graduate with 2-3 days residential training designed to develop additional business skills. The graduates makes a 10 min presentation on what they have learnt and how they will apply their knowledge to help solve the identified issues within the company
- At the end of the placement, the graduate writes an end of placement report which highlights the work done by the graduate and challenges faced. The company comments and signs off and this document can be used in the company CRW (if DRM company).
- The company is not obliged to retain the graduate on a permanent basis, although hopefully the graduate will have demonstrated their value to the company

*\*Funding may be eligible if the project relates to Innovation Support, Business Improvement Project Support or International Manager for Hire Introductory, see below for details.*

### **SE Grant support for graduates salary via relevant products**

SE/SDI may part-fund a **DRM (including Business Gateway Growth Pipeline)** company to use the TalentScotland Graduate Placement Programme only where it clearly relates to defined Innovation, Business Improvement or Internationalisation development projects. This will be delivered, as appropriate, via the following products:

- **Innovation Support (CRM ID 2117);**
- **Business Improvement Project Support (CRM ID 2150), and;**
- **International Manager for Hire Introductory (CRM ID 2361).**

SE/SDI and the customer will need to identify and agree an appropriate project that meets the criteria for SE intervention and is supported by defined objectives, outputs, costs and timescales.

Where a proposed project is clearly focused on Internationalisation, part-funding may be offered to **NRM** companies via the **International Manager for Hire Introductory Product (CRM ID 2361)**. In appropriate circumstances and with an ambitious 'development project' approved, the 'International Manager for Hire' product can also be used to further complement, but not duplicate or disqualify the use of a graduate identified via the TSGPP.

**NRM manufacturing companies** may also access the **Business Improvement Project Support (CRM ID 2150** through **SMAS**.

Financial support may be offered towards the employment of a suitable graduate to work on defined and pre-agreed elements of the project over a 3 - 12 month timescale. SE's financial support will be limited to the lesser value of:

- up to 50% of the costs of undertaking the project
- or**
- a maximum SE contribution of £10k towards a graduate's annual gross salary. Excluded from the gross salary are employee bonus payments or any other employee benefits.

Where the graduate is to be employed for less than 12 months but more than 3 months, SE's contribution will be reduced pro-rata.

SE will consider financially supporting more than one graduate placement per company within a 12 month period. If the SE/SDI staff member scoping out the project, identifies the need for more than one graduate placement to support project delivery, they should create a robust business case in the appraisal document before discussing and seeking approval from their team leader or director (as appropriate).

For those companies not receiving financial support towards the graduate salary, there is no limit to the number of graduates we can help to recruit per company as long as a defined project exists.

This programme is not meant to solve a long-term staffing issue. All projects should be between a minimum of 3 months and a maximum of 12 months. They must be distinct and have quantifiable and measurable outputs.

For an informal enquiry about the benefits of this product, please contact: [Reni.onayemi@scotent.co.uk](mailto:Reni.onayemi@scotent.co.uk) or telephone 0141 242 8405

## Objectives and Outcomes

### SE's objectives:

- To assist companies find cost effective ways to deliver short term projects
- To demonstrate the value that graduates can add to their business/project
- To enhance the company's capability by adding additional specialist resources e.g. social media development, specialist engineer etc.

### SE's outcomes:

- Increase company revenue
- Increase innovation and application of knowledge
- Commercialisation activities
- New products/services developed
- New processes developed
- Improved/Increased use of ICT

- Improved marketing/detailed market knowledge
- Increased exporting/global outlook and internationalising
- Improved environmental management

Companies objectives:

- To gain additional cost effective specialist resource
- Access to new skills and knowledge e.g. language and cultural skills from international graduates, technical skills from engineering graduate
- Accelerated project timescale due to graduate input

Companies outcomes:

- Projects delivered faster
- Higher quality input
- Low risk introduction to graduate employment

Graduates objectives:

- To gain graduate level work experience
- To improve employability

Graduates outcomes:

- Commercial experience in a real work environment
- Undertake a commercial project
- Possibility of full time employment with host company
- Business skills, leadership and entrepreneurial training

## **Eligibility Criteria**

### Eligibility for Funding

Applicant companies must pay 100% of the graduate's salary and employer overheads during the project unless they are eligible for funding.

The programme will cover the costs of the graduates training and will cover the costs of the recruitment & selection process.

If the graduate's salary is being subsidised to support a relevant project via:

- **Innovation Support (CRM ID 2117);**
- **Business Improvement Project Support (CRM ID 2150), or**
- **International Manager for Hire Introductory (CRM ID 2361).**

Purchase orders should be raised against the appropriate product transaction code.

### Eligibility for companies:

The programme is open to all companies and social enterprises based in Scotland with a defined project. The focus is on companies that have an identified project that can demonstrate that they would benefit from graduate/postgraduate input over a defined timescale (from 3 – 12 months).

Eligibility for graduates:

The programme is open to UK and International graduates who:

- Have graduated at degree or postgraduate level from a Higher Education Institution within the past two years
- Have up to date visa documentation if required
- Have strong English language skills appropriate to a business environment
- Have no more than one year's relevant graduate level work experience since the latest qualification

Note: Expenses for attending interviews will not be covered.

### Supplier Detail & Commissioning

The product has no procurement or commissioning issues for SE. The employment contract is between the host company and appointed graduate.

### Customer Application, Appraisal, Approval & Offer

DRM companies:

- The company should have initial discussions with their account manager about the programme in general and to scope the potential project
- The account manager should then inform the TSGPP Programme Manager, Reni Onayemi, who will progress the enquiry and pass to AGCAS Project Officer.
- The AGCAS project officer) will then liaise direct with the company to finalise the project specification and advertise the placement opportunity
- The Project Officer will screen and select graduate applications that meets the project criteria and then forwards to the company for review
- The company will then interview and appoint the successful graduate
- Upon completion of the placement, the graduate will fill an end of placement form that the company will comment on and sign off.
- This document is sent to [placements@talentscotland.com](mailto:placements@talentscotland.com) for the TSGPP Programme Manager, Reni to review and Account manager (if DRM) to attach the company report within CRM

For non DRM companies:

- Companies that are interested in the programme but don't have an account manager or local contact should contact EFRS on 0845 371 5444 or email to [placements@talentscotland.com](mailto:placements@talentscotland.com)
- The enquiry will then be progressed as above



### Claim Procedure

Claims should be submitted in line with the Spend Profile as detailed in the Appraisal. Companies should submit : –

- Invoice to SE for the amount they are claiming
- A signed Claim for Payment form
- Evidence that the salary has been paid e.g. copy of BACS transfer or payroll etc.

### State Aid and Legal

There are no state aid issues with regards to receipt of this assistance in instances where no salary subsistence is provided by SE The company is responsible for upholding the graduate's statutory employment rights and issuing the graduates fixed term employment contract.

If the graduate's salary is being subsidised to support a relevant project via:

- **Innovation Support (CRM ID 2117);**
- **Business Improvement Project Support (CRM ID 2150), or**
- **International Manager for Hire Introductory (CRM ID 2361).**

For all cases where temporary specialists are being paid via the company's payroll, SE's contribution should be classed as De-Minimis aid.

You should refer to the appropriate Product User Guide regarding how State Aid and legal issues are to be addressed.

### Support Materials

For companies interested in the programme, further information can be found:

- [TalentScotland website](#)
- Programme Flyer (flyers can also be found in SE/BG reception areas)
- There are 2 pull up exhibition stands – please email to [reni.onayemi@scotent.co.uk](mailto:reni.onayemi@scotent.co.uk) or telephone 0141 242 8405 to access

### Product Delivery, Management and Monitoring

There is a programme manager (Reni Onayemi) who will be involved in facilitating access to the programme and will act as first point of contact for the programme and AGCAS (Association of Graduate Careers Advisory Service) project officer who will manage the graduate selection process and communication between companies, graduates and relationship managers.

The programme will cover the costs of the graduates training and will cover the costs of the recruitment & selection process.

	<b>Action</b>	<b>Responsibility</b>
1	Scope out the project with the customer and relevant SE/SDI specialist detailing outputs, duration and amount of financial contribution. Complete the Business Support Application	Account Manager/Gateway Advisor or Specialist managing the intervention and Customer
2	Raise lead on CRM and add project details, objectives and outputs and graduate's required profile. Ensure that the project clearly states the role of the graduate on the project and added value of using an specialist graduate	Account Manager/Gateway Advisor or Specialist managing the intervention and submits via the usual framework approval process
3	Propose Talent Scotland Product and add Development Plan (For DRM companies only)	Account Manager/Gateway Advisor or Specialist managing the intervention
4	Company fills company placement form.	Account Manager /Gateway Advisor or Specialist managing the intervention/ TSGPP Programme Manager (Reni Onayemi) Program Officer (Rosalyn Claise)
5	If funding is required, Account manager obtains approval and adds Programme Officer, Reni, to CRM as part of the account team.	Account Manager /Gateway Advisor or Specialist managing the intervention
6	Liaise with company's AM/BG adviser to scope project advert, advertise project online and recruit suitable graduates	AGCAS Project Officer
7	Pass shortlist of suitable graduates to client company for interviewing	AGCAS Project Officer
8	Company notifies Project Officer of chosen graduate and progresses to hiring the chosen candidate	Client company
9	Notify unsuccessful candidates	Project Officer
10	Successful candidate is welcomed to the programme and informed of training dates.	AGCAS Project Officer
11	A month to training, graduate is informed of training	Training providers/

	details like venue etc and the company signs off on the training confirmation slip to signify consent	Graduate/Company
12	Feedback results from company strategy exercise during training to Account Manager and company	Graduate/Account Manager/Company
13	Graduate completes end of placement form with company commenting and signing off. Graduate sends report to <a href="mailto:placements@talentscotland.com">placements@talentscotland.com</a> for Programme Manager, Reni. Reni will forward to account manager who will add on CRM company record	Graduate/Company/Reni/Account Manager

**Health & Safety**

The host company is responsible for health and safety issues on their property.

**Product Lead**

The SE Products Team is responsible for the overall product. Any queries relating to the product policy, design or maintenance should be directed to the Product Team. The Product Team will liaise with Policy Teams. No change should be made to an approved product without discussions taking place with the Product Team.

Reni Onayemi, the Programme Manager will have overall responsibility for the delivery of the programme along with project officer who is based at AGCAS.

The Business Support Team is responsible for operational delivery and day to day management of the product.

Contact names are on the front page of this Product Guide.



**APPENDIX 2**  
**BUSINESS SURVEY**  
**QUESTIONNAIRE**

**APPENDIX 3**  
**SUGGESTED IMPROVEMENT**  
**RESPONSES**

### **Respondent Comment 1**

We have since the first placement taken on a further two graduates and would have taken a third but the placement programme did not find a suitable candidate. When the system works it works well, but there did not seem to be the provision to open up the placement adverts if suitable graduates were not forthcoming. A budget to help with advertising the scheme at universities to attract more graduates to look at the placements available I think would be very beneficial. There were quite a few graduates who have applied to us directly for positions that we have advertised that were also advertised with the scheme who were not aware of the scheme.

It would be beneficial for the training course to be run more often, as my first graduate didn't get to go until 8 months after the placement started, and the other two graduates I have employed from the scheme are also not getting to go until 8 months after they started their placement. I think it would be beneficial if they were able to attend the course within the first 3 months of their placement, however I appreciate that it is still early days for the scheme.

I think the scheme is excellent and needs also to be promoted more within the SME community as we are an SME who have benefited enormously from our influx of graduates and the graduates have also benefited working for a smaller organisation where they have much more responsibility and a wider range of experience than they would otherwise get with a larger organisation. My company employs 70 staff in total.

### **Respondent Comment 2**

Filtered search on prospective candidates could be improved to ensure there is a relevance to those forwarded for the available positions. We had candidates who were interested, or had a focus in, other engineering sectors.

### **Respondent Comment 3**

More thorough sifting of applicants

### **Respondent Comment 4**

Publicise wider so you have a larger pool for companies to choose from. Both times we have gone for this type of placement we have only had a couple of cvs to choose from yet when we advertise there are many graduates out of work that apply to us directly.

### **Respondent Comment 5**

Broaden the types of graduates/projects available to encompass other fields not directly related to business improvement such as graphic design, accounting and sales

### **Respondent Comment 6**

I think potential candidates would benefit from a workshop on interview and presentation techniques during interviews; how to prepare yourself for interview, what to expect, types of questions that are likely to be asked etc.