## Social Impact Study Craft Employment Opportunities

A Report for Cockpit Arts January 2015





This report has been prepared by Social Value Lab on behalf of Cockpit Arts.

The report presents the findings from the social impact assessment of Cockpit Arts' employment opportunities.

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### **Executive Summary**

#### Introduction

The principal aim of this study is to understand the wider social impact of Cockpit Arts' employment creation services, in order to:

- measure the social impact of the employment programmes;
- refine monitoring frameworks;
- demonstrate the social value created;
- inform strategic development;
- provide evidence to (potential) funders and investors; and
- improve the marketing message.

#### **About Cockpit Arts**

Cockpit Arts is an award winning social enterprise and the UK's only creative-business incubator for designer-makers. It provides affordable studio space and business development support up to 170 craft and design businesses at two London sites in Holborn and Deptford. It also supports the rest of the craft industry through workshops, seminars and on-line resources.

There are three major routes through which Cockpit Arts supports the creation of employment opportunities:

**Cockpit Arts Incubator** - workspace combined with professional on-site business support services.

Cockpit Arts/The Prince's Trust Creative Careers Programme - supports unemployed young people into selfemployment by providing up to two years free workspace, a business mentor and craft mentor, business support and the ability to borrow development funds.

Creative Employment – supports the employment of craft and business apprentices and paid interns by providing a wage subsidy and intensive employer support.

#### The Outcomes

The study identified a number of outcomes for employees, self-employed, and employers.

#### **Employees**

- Increased confidence
- Increased self-esteem
- Increased independence
- Increased career focus
- Increased business skills
- Increased network
- Increased professionalism
- Increased disposable income

Employers showed a willingness and expectation to keep people on after the project, but were also cautious about the affordability of additional staff.

There is an acknowledgement of the support Cockpit Arts provides. More employment support, however, could accelerate employment.

#### Self-employed

- Increased confidence
- Increased self-esteem
- Increased independence
- Increased career focus
- Increased business skills
- Increased network
- Increased professionalism
- Increased artistic skills
- Taken seriously as an artist

#### **Employers**

- Growing business through increased sales
- Freeing up time
- Increased skills
- Seeing their venture as a business

#### Attribution and Deadweight

Respondents reported a minimal attribution of other agencies and organisations in achieving the outcomes. Deadweight was also assessed as low; people would have had the same ambitions, but thought they would achieve them much slower and with more difficulty without Cockpit Arts support.

#### **Partners**

By creating employment opportunities the Cockpit Arts programmes contribute to the aims and objectives of a number of key partners:

 Camden Council Apprenticeships

- Westminster Kingsway College:
- Creative and Cultural Skills (CC Skills)
- The Prince's Trust
- The Royal Bank of Scotland

The Prince's Trust also provided business mentors for the self-employed.

The Royal Bank of Scotland delivered HR management training to Cockpit Arts and the designer-makers.

#### Partners reflected on Cockpit Arts:

- It is difficult to find employment opportunities in the creative industry.
- The programmes bring people into the industry that otherwise might not have entered.
- Cockpit Arts is widely seen as a success story.
- The main challenge is the sustainability of the posts.

#### **Public Savings**

Based on the Cabinet Office's Unit Cost Database the annual saving to the public purse as a result of Cockpit Arts employment programmes is around £425k.

### Conclusions and Recommendations

The Cockpit Arts programmes achieve a significant social impact for employees, self-employed designer makers, employers and partners and can be considered highly successful and effective.

The Cockpit Arts Incubator has proven to be a highly successful environment for starting crafts businesses, which led to the creation of employment.

The Creative Careers Programme is well-established and has a 100% success rate. The combined support from Cockpit Arts and The Prince's Trust is highly effective to help unemployed young people to become successfully self-employed in the craft industry.

For the Creative Employment
Programme it is too early to draw
definitive conclusions about its success,
but initial signs and previous
experiences with internships show that
this programme can lead to sustained
employment.

The minimum wage is a barrier for young people to accept apprenticeships and internships and the adoption of the London Living Wage should be explored.

Cockpit Arts has adjusted its Customer Relationship Management to include additional measures to collect qualitative and quantitative impact data on employment on a regular basis.

The impact data generated from this report has enabled Cockpit Arts to compete for and win new business.

Consultation with stakeholders about the future development of Cockpit Arts' craft employment programmes has highlighted the need to place more emphasis on the recruitment of nongraduates to new employee roles. Traineeships in partnership with a Further Education College to undertake recruitment of young people and provide essential work preparation training for work experience leading to an Apprenticeship at Cockpit Arts, should be offered alongside graduate recruitment programmes.

### 1: Introduction

This report describes the social impact created by Cockpit Arts through the delivery of its various employment opportunities.



#### **Study Objectives**

Cockpit Arts wanted to assess the wider social impact of its employment creation programmes and activities and commissioned Social Value Lab to conduct the assessment.

The principal aim of this study is to help Cockpit Arts to understand the wider social impact of its employment creation services and the value created for its stakeholders.

Cockpit Arts will use the impact assessment to:

- identify ways in which it can measure the social impact of its employment creation programmes;
- refine Cockpit Arts' monitoring framework to ensure that is able to better capture the full impact of its employment outcomes in the future;

- demonstrate the social value created by Cockpit Arts' employment creation programmes to its stakeholders;
- inform the strategic development of its services, and in particular the Creative Careers and Creative Employment programmes;
- provide evidence of the social impact to existing and potential funders and investors; and
- improve its marketing message.

#### **Cockpit Arts**

Established in 1986, Cockpit Arts is an award winning social enterprise and the UK's only creative-business incubator for designer-makers. Cockpit Arts currently provides affordable studio space and business development support to 170 fledgling and established craft and design businesses at two sites in Holborn and Deptford.

Cockpit Arts also supports designermakers not based within its venues through a programme of workshops, seminars and on-line resources.

By providing workspace and business support Cockpit Arts helps crafts people to grow their business, become commercially independent and create employment for themselves, employees, paid internships and apprentices<sup>1</sup>.



### The Cockpit Arts Employment Programmes

There are three major routes through which Cockpit Arts supports the creation of employment opportunities: the Incubator, the Creative Careers Programme and the Creative Employment Programme.

Cockpit Arts Incubator – provides affordable creative workspace to self-employed designer-makers at its two sites at Holborn and Deptford, combined with experienced on-site business support services to facilitate the successful development of the businesses.

Over time, accelerated by the Cockpit Arts business support, the designer-makers grow their business and come to a stage when they need to employ someone to further sustain the growth. This has led to a total of 27 people employed by the designer-makers.

Cockpit Arts also implements two bespoke targeted programmes to stimulate and support employment opportunities with its designer-makers:

Cockpit Arts/The Prince's Trust
Creative Careers Programme - supports
previously unemployed young people
into a professional career in craft and
design as a self-employed designermaker.

This programme is delivered in partnership with The Prince's Trust which refers participants to Cockpit Arts. Participants receive up to two years free workspace within Cockpit Arts, a business mentor provided by The Prince's Trust, a craft mentor in the form of a Cockpit Arts alumnus, intensive support from the Cockpit Arts team and the opportunity to borrow money to develop their business.

The programme started in 2011/12 and has recently taken in its fourth cohort of participants.

Of the 12 young people participating in the programme after the pilot year, 100% have been able to successfully start up and sustain a craft business.

Creative Employment – provides support to Cockpit Arts' studio-holders to take on craft and business apprentices and paid interns. This programme, delivered by the CC Skills Creative Employment Programme and funded by Arts Council England, is enabling 22 craft business owners to recruit three paid apprentices and eleven paid interns. The programme provides a wage subsidy and intensive

<sup>&</sup>lt;sup>1</sup> Paid internships and apprentices have a fixed term contract of employment. Therefore they are also referred to as employees throughout this document.

employer support from Cockpit Arts. This programme started in 2014 and has so far supported eleven businesses taking on two apprentices and seven paid interns.

#### **Study Method**

The study was carried out by independent social impact consultants Social Value Lab between May and July 2014

Social Value Lab is a research and consultancy agency specialised in social impact measurement. Rick Rijsdijk, the principal consultant that prepared this report, is a highly experienced impact consultant who has produced more than 30 social impact reports across the UK. He is an SROI-Network accredited practitioner and a founding member of the Social Impact Analyst Association (SIAA).



The research was based on a qualitative research design that involved a number of main stages.

- Theory of Change Workshop with Cockpit Arts staff to establish the likely relationships between input, output and outcomes.
- Face-to-face, semi-structured interviews with nine employees, six from the Incubator

Programme and three from the Creative Employment Programme.

- Face-to-face, semi-structured interviews with five selfemployed designer-makers who participated in the Creative Careers Programme.
- Face-to-face, semi-structured interviews with eight employers.
- Semi-structured telephone interviews with three partner agencies.

#### **Stakeholder Involvement**

Assessing social impact can only be done by gauging the opinions and experiences of those who experience the changes as a result of the Cockpit Arts programmes directly. Therefore, throughout the research the focus has been on involving stakeholders. We have conducted in-depth face-to-face interviews with relevant samples of employers and those that found (self-) employment.

Table 1 provides an overview of the stakeholder consultation.

**TABLE 1: STAKEHOLDER CONSULTATION** 

	Total	Consulted
Employees	36	9
Self-employed	12	5
Employers	29	8
Partners	5	3

The findings of the impact assessment are set out in the following pages.

### 2: Impact on Employees

This Section assesses the impact of Cockpit Arts' services on those that found employment through one of Cockpit Arts' Programmes, the Incubator or the Creative Employment Programme.



Employment and employment opportunities come in various guises, from a permanent job to a short term contract, an apprenticeship or internship. All have a slightly different impact, but all are steps on the road to employment.

#### **Gaining Confidence**

All interviewed reported a significant increase in confidence through their employment.

"Experiences and knowledge make you more confident".

The majority of the Creative Employment Programme employees came to the Cockpit designer-makers from university after a period of un- or underemployment. They found the work-experience, their newly learned skills and knowledge, helped them to do new things and to talk to and interact with others more easily.

"I was very shy, I shuffled about at first but now I'm doing the shows".

"I'm independent, out and about delivering to customers and meeting people".

Some mentioned the trust of their employer in their abilities which in turn made them more confident in their own abilities.

"Initially it was doing whatever needs done but now I'm in charge of certain elements. Her [employer] confidence in me translates into my confidence".

100% of the employees reported increased confidence

#### Feeling Good About Yourself

Getting employment with the designermakers, especially after a period of unemployment or working in an unrelated job (e.g. pub, shop, etc.) increased their self-esteem.

"I was not working before, I feel a lot better about myself now".

"I'm really glad and much happier, and my boyfriend is really proud".

It also made other people see them in a different light, take them more seriously, which increased their selfesteem.



"My friends now see this as a career rather than as hobby".

"Because I'm shy people are very impressed that I took the initiative and made it happen".

"It sounds like a proper job. I'm responsible for a lot now".

"My family don't really understand what I wanted to do, but now that it is a proper job they support it a little bit more".

89% of the employees reported increased

#### Standing On Your Own Two Feet

For all young people, finding employment in a field you want to make a career in, is a transitional experience and marks a huge step towards independence.

"I feel very independent; I like the autonomy and ownership".

"My independence has been accelerated".

This independence is in the first instance shown in earning their own money.

"I'm now financially more independent from my parents".

"My financial independence feels really good".

And that financial independence translates to realising their plans for the future, including living on their own and starting a family.

"I would now like to start a family".

"It's not very good living in London without a full-time job".

"I'm now looking for a house".

reported increased independence

### A Clear Focus On The Future

Many of the employees entering the designer-maker world at Cockpit Arts know that they want to work in the crafts industry, but have no real idea what that entails. Working within Cockpit Arts gives them a clearer idea what working as a designer-maker is and if it is really for them.

"I now know my end goal and how to get there. I want to own my studio to sell work as a living".

"I like the support role, but I don't want to do design".

"I always enjoyed it as a hobby, and now I know it's good to be doing it as a day job".

"Now ceramics is a career".

It also helps employees focus on what is required to become a successful designer-maker and what their final destination could be.

"I'm glad that I'm following a career path I want. I'm now more focused in what I want to do but the opportunities are now broader".

"I was previously against batch produced items but now I realise it's a necessity. Bespoke and mass produced co-exist and mass production funds the other".

"I'm more conscious it's a business".

100% of the employees reported increased career focus

#### Better Equipped To Do Business

The employees all reported increased skills, including business skills, administration, marketing, financial management, IT and web design

"I'm learning all the relevant skills, marketing, business, and manufacturing skills".

"[Employer] has taught me business acumen - shows, marketing, administration".

"I learned about invoicing, toolkits, forward planning, business cards, the visitors book, marketing of yourself and what to say to a journalist".



Some of the employees picked up some basic work-skills, such as organisational skills and multi-tasking.

"I am now more organised and good at multi-tasking".

Finally, employees also reported increased artistic skills, both by becoming more skilled in applying their craft on a day-to-day basis and by learning new skills and techniques from employers as well as peers.

"I'm more speedy and efficient in some basic skills and techniques".

"I learned the amount of work involved in doing the design".

"I have improved making skills, and have a realistic idea of what I can and can't do".

> 100% of the employees reported increased business skills

#### A Wider Network

The employees learned the value of having a professional network and by working with the Cockpit Arts' designer-makers they increased their network.

"I am rubbing shoulders with people in the industry".

"I have a much broader network now; I'm not scared of introducing myself to random people at galleries and shows because networking might lead to other opportunities".

"I have many more contacts than at university".

"I am a more confident networker now".

89% of the employees reported an increased network

#### Being a Professional

Some employees reported to have become more professional through their experience with Cockpit Arts' designer-makers. This signifies the final step of the transition from doing craft as a hobby to working in the field.

"I have a much more professional way of working than before".

"I have been pushed to become more productive and efficient".

"I had no idea, it opened my eyes".



44% of the employees reported an increased professionalism

#### **Earning More**

Not all employees were financially better off, especially those that participated in the Creative Employment Programme.

"Yes, more than the Job Centre but not as much as working in [previous job]".



But for others taking up employment with Cockpit Arts' designer-makers means more income, and an opportunity to move home and gain a footing on the property ladder.

"I have more income; I bought a house recently".

"I have more income nowadays. We are trying to save for a house and this gives us a better chance of a mortgage".

"Yes pay rises and more money, but stability is more important".

reported an increased disposable income

#### Sustainability of the Employment

The Creative Employment Programme started in 2014 and, as expected, it took some time before the apprentices and interns started work.

When asked, employers showed a willingness and expectation to keep people on after the project.

"Being an employer was an aspiration for me - it carries status and looks more professional".

"I saw professional peer employers as something to aim for".

However, employers were also understandably cautious, as the ability to afford additional staff is dependent on external market conditions and the extent of how much the apprentice/intern will develop.

"I'm slightly anxious about the responsibility of being an employer because people's livelihoods depend on me".

"I'm still anxious about being able to pay wages of workers".

From other designer-makers' experiences with internships (not participating in the Creative Employment Programme) it is clear that apprenticeships and internships can lead to employment.

"I've had lots of interns go on to do great things, interns learn a lot and they see everything".

"My friend worked for [employer name] and I started to help out,

starting with a few days in 2010 then changed to full-time flexible in 2012".

There is an acknowledgement of the support Cockpit Arts provides in hiring and managing staff.

"If it hadn't been for Cockpit Arts and their support, I'd probably have carried on freelancing so not taken on employees".

But employers also reported that even more support in this area, particularly around the processes and technicalities of employing staff could accelerate employment.

Finally, not all Creative Employment participants are looking for immediate employment.

"This is a work placement in my sandwich year at university".

#### **Attribution and Deadweight**

To assess the impact of an intervention it is necessary to address the effects of attribution and deadweight.

Attribution acknowledges that changes in people's lives are seldom caused by just one intervention. In most cases there is more than one force at work to achieve change. Attribution is an assessment of how much of the outcomes can be attributed to the intervention and how much to the efforts of other projects and organisations.

Deadweight is an assessment of what would have happened if the intervention had not taken place. Sometimes nothing would have happened, but in other cases changes

would have happened more slowly or the changes would be less radical.

From our consultations it emerged that attribution is negligible for the employees. Some mentioned some assistance from JobCentre Plus, mainly by making them aware of the opportunity. Most employees, however, do not acknowledge any other support.

"No-one helped me, it was just me".

When asked what they would have done without the Creative Employment Programme, all said that they would still have tried to work in the creative industry, but it would have taken much longer and it would have been very difficult.

"There are other opportunities, but not at the same scale".

"I would probably be on the same track, but with far less experience and less exposure of how to run a business".

### 3: Impact on Self-Employed

This Section reports on the social impact created by the Cockpit Arts / The Prince's Trust Creative Careers Programme.



The Creative Careers Programme has so far supported 12 previously unemployed young people into a career as self-employed designer-makers.

#### **Confidence in their Abilities**

All the Creative Careers participants taking part in the study reported an increase in confidence in their abilities to make it as a successful self-employed craft professional.

"Yes, I'm not just selling to friends and family but I have a proper business".

"I have made money but not lots; that gave me confidence".

Having a craft mentor, which is part of the Creative Careers programme, has helped participants grow their confidence.

"I am now more confident. Because of my mentor I got more bold with pricing". "The difference is now that the support from Imogen, Ellen, Vanessa and Sam is always there"

Also learning new skills and developing as a craft maker led to more confidence.

"Learning new techniques has had a huge impact and made a difference to my motivation and confidence".

"I'm more confident in my craftcohesive collections and pricing".

This new confidence helped participants to believe they can make it as a designer-maker.

"I have a better idea of my own business. Opportunities are now offered and shared studio space offers inspiration".

"Having a creative space looks more professional to customers". "I'm moving forward rather than going round in circles".

100% of the selfemployed reported increased confidence "Being self-employed makes a big difference to how friends and family see me".

> 100% of the selfemployed reported increased self-esteen

#### **Appreciating Themselves**

The transition from unemployed to successfully self-employed changed the way that participants saw themselves and increased their self-esteem.



"It's amazing, I'm so proud. I'm taken more seriously by customers and fellow artists in the space".

"I love it. I can't see myself doing anything else. It's nice to feel like proper artist, this status definitely makes a difference".

Participants also note the difference in other people's perception of them, which makes them feel good about themselves.

"Yes friends, family and others see something on paper or online and they are impressed; it makes it all a bit more real".

#### **Towards Independence**

Participants reported feeling more independent as a result of becoming self-employed through the Creative Careers Programme. This was not felt so much for financial independence, as most self-employed designer-makers did not have more income yet.

"I'm still only part-time, not 100% independent yet, but nearly there".

"All money goes back into the business so I don't have more income, but I'm independent in other ways like managing the money".



Some self-employed designers-makers participating in the Creative Careers Programme reported an increased feeling of independence due to being able to run their own business and make their own decisions.

"I make my own deadlines and hit them".

But participants felt that, due to the support provide by Cockpit Arts' team, their business took off and grew, which meant that they could work as an independent craft maker.

"Not moneywise, but creatively I'm more independent. Cockpit has helped me with a business plan for a loan".

"My business has changed to designer-maker rather than just artist printer. The business is now an independent brand".

"I have kept my creative independence. If not for Cockpit Arts, I would be working for a bigger company being a product developer".



100% of the selfemployed reported increased independence

#### Focus on a Career

The Creative Careers Programme gave participants the chance to make a start in the craft industry. This provided them with a better focus of what they wanted to do with their career. It

confirmed their desire to work as a designer-maker.

"Yes, I still want to work in design, having my own boutique is the total goal".

"Definitely, I know now where I want to go and what I need to do to get there".

"I have changed due to being in a creative environment. As soon as the website is up and running I'll expand".

"The Creative Careers experience firmed up my ideas".

"I'm more mature in terms of work".



100% of the selfemployed reported increased career focus

### Capable of Running a Business

Participants have gained business skills and experience from running their business and the support provided by Cockpit Arts. Skills mentioned include: book keeping, cash flow and financial management, social media,

manufacturing, costing and pricing, tax and marketing.

"I have gained a lot of important skills. I learned to create collections rather than one off pieces".

"I now know more about accounting, costing, pricing and marketing".

"I'm definitely more aware of the business side of things and see what I was lacking".

> 100% of the selfemployed reported increased business skills

### Getting to Know the Right People

Working as a professional craft-maker and being based in a Cockpit Arts studio has increased the professional network of participants, which is essential to grow their business.

"Now I have good business networks, with press and buyers".

"Yes, I now get clients from open studios and people coming to the studio".

"Before I only knew students".

"Now I'm surrounded by likeminded people. I have casual conversations about work opportunities, sales, marketing, trade shows, etc."

Participants were unemployed before and some of them did not have a large

artistic network. Participating in the Creative Careers Programme helped them to increase their artistic network as well.



"I had no professional network before, now have good artistic networks".

> 80% of the selfemployed reported an increased network

#### **Increased Professionalism**

Participants reported that they had become more professional in their craft. Before embarking on the Creative Careers Programme, many still saw their craft as a hobby or a side-line, but not as their main professional career. Setting up as a self-employed designermaker catapulted them into the field.

"I'm more professional. Instead of selling on Etsy.com I now sell to buyers".

"I'm more professional and serious. It made me much more focused, and perseverance made my business".

"People see me as more professional".

"Having a creative space looks more professional to customers".

> 100% of the selfemployed reported increased professionalism



#### **Developing their Business**

Working in a professional environment and the support of the Cockpit Arts' team helped participants to develop and grow their business.

"I'm far more professional now; I use better sales techniques and my costings compared to the high street are now more savvy".

"I wasn't sure where the business could go but I have a clear picture now due to other visible Cockpit Arts' artists".

"I'm more focused on the business and see it through business eyes".

"Seeing others succeed gives you a good idea that it can happen for you".

100% of the self-employed reported increased business development

#### **Increased Artistic Skills**

Participants believe that they have become better artists as a result of participating in the Creative Careers Programme.

By working as a self-employed designer-maker, participants developed their existing artistic skills and acquired new ones. This could be by working with their mentor and learning from other colleagues within Cockpit Arts.

"I got new artistic skills, mostly from self-learning and networking in the building".

"I have improved my pattern cutting and sewing skills".

"I meet with my mentor to discuss the creative process, quality control and design".

"We usually learn from each other by sharing practices".

"I now use different techniques and tools; I have the potential to now work with a master craftsperson".



100% of the selfemployed reported increased artistic skills

#### Living the Dream

In many cases participants have not previously been taken seriously as a professional designer-maker. The people around them, their friends and family, saw their craft as more of a hobby than a career.

Being self-employed, working in a Cockpit Arts' studio and the clear development of their business shows the world that this is more than a hobby and they are finally being taken seriously as an artist.

"My family see progression but it is not a fully fledged business yet".

"The general consensus is that if you have your own space it makes it feel like a real business".

"I'm taken more seriously by customers".

"When meeting new people they are quite impressed".

"I wouldn't be here now if not for Creative Careers, it's fantastic to be doing the dream".

80% of the self-employed reported to be taken seriously as an artist

#### Attribution and Deadweight

The self-employed designer-makers acknowledged the important role The Prince's Trust has played in getting them where they are at the moment.

When asked what they would have done without the Creative Careers Programme, most thought that they still would have pursued a career in the creative industries, but that it would have been much harder. One respondent even considered quitting without the support.

"I like to think I would have had the initiative to do the same, but it would have taken much longer".

### 4: Impact on Employers

This Section explores the impact of providing employment opportunities on designer-makers that have received the Incubator support or are participating in Creative Employment.



Taking on employees and providing apprenticeships and paid internships has also had a positive impact on employers.

#### **Growing the Business**

For most businesses growing entails hiring staff, which is also true for Cockpit Arts' designer-makers. For some, additional staff is required to respond to an increasing number of orders.

"I need help in order to grow the business and fulfil existing orders"

"We can get some bigger orders now due to having an employee".

Others recognised that hiring staff was a necessary investment to grow the business.

"Our customer base now knows that orders will be fulfilled quickly and I'm building a stockpile of orders". "You need to work out how your business can grow and I'm keen to provide employment for young people".

"In order to compete in the market you need to increase capacity".

Employers acknowledged the role that the Cockpit Arts' business incubator and support team play in business growth.

"Cockpit Arts is a catalyst. I only became profitable once I moved into the building".

"Cockpit Arts has helped hugely; they firmed it into a business".

100% of the employers reported increased sales

### Freeing Up Time to do Other Things

Employing staff helps employers to dedicate more time to what they are good at and enjoy: design, create and developing the business further. In some cases the additional employees provide 'extra hands' in other cases the new staff is tasked with administration, freeing up the employer's time.

"I couldn't keep up with manufacturing without employees".

"They help with admin, packing, manufacturing so I can focus on selling, concepts and design, and planning. Both quality and quantity increased, allowing us to grow".

"Having an employee allows me to develop new products and do more sales and marketing".

"I focus more on the conceptual ideas, others can do admin".



Most designer-makers spend more than an average working week running their business. Employing staff allowed some designer-makers to spend more time on their personal life, creating a healthier work-life balance. "It takes a bit of the load off; gives me extra time to focus on the business and me".

"It gave me time off for my wedding and honeymoon".

"It allows me to take a step back".

100% of the employers reported freed up time for other things



#### **Learning New Skills**

Employing staff has taught employers new skills, useful for further development of their business, including people management, planning and communication skills

"I used to think management was a waste of time, but realised it was part of the job. I learned to delegate, trust, listen, and be flexible".

"Supporting people is great, it made me more professional and I needed to improve on my skills".

"Clearer communication, give constructive feedback and be negative when needed".

"I plan, I'm less ad hoc".

Managing people required employers to establish work processes. This had a positive knock-on effect on the quality of work they produced.

"Product design has tightened up because you're having to explain it to someone else".

"Documenting the way you work and a more formalised way of working is difficult but beneficial".



100% of the employers reported increased skills

#### **Business as Usual**

Some employers had previously seen their venture more as a lifestyle business than as a 'serious' enterprise. Being responsible for staff forced them to look at their business in a different light, focussing more on profitability and longer-term sustainability and

realise that their venture had become a 'proper' business.

"There are more organised processes to go through to get something done".

"I'm slightly anxious about the responsibility of being an employer because people's livelihoods depend on me".

"I'm much more professional; more structured in the way I go about things, pro-active rather than reactive".

"I have a responsibility to sell more to fund jobs".

88% of the employers reported viewing their venture more like a business

#### **Attribution and Deadweight**

Employers all acknowledged the key role that Cockpit Arts has played and could not mention any other organisations that have helped them to employ staff.

Employers also thought it would be very difficult to become employers without the support provided by Cockpit Arts.

"Cockpit Arts was the catalyst in becoming an employer. Without them it would have taken longer and would have been much more difficult".

### 5. Impact on Partners

This Section reports on the impact on partners of working with Cockpit Arts.



Cockpit Arts co-operated with a number of partners to create employment in the craft industry.

#### **Effective Partnerships**

Partners included those that helped Cockpit Arts and its designer-makers to recruit employees and apprentices, such as Camden Council Apprenticeships and Westminster Kingsway College, and those that funded Cockpit Arts' programmes and provided in-kind support, including CC Skills, The Prince's Trust and the Royal Bank of Scotland (RBS).

Camden Council Apprenticeships (CCA) is the local authority's programme to provide apprenticeships for local young people. It aims to support young Camden residents, aged 16-24, in finding apprenticeships by

 providing information, advice and guidance to find the right job;

- pre- employment support, matches young people to apprenticeships; and
- post-employment support.

The Creative Employment Programme provides apprenticeship places for CCA clients in the Creative Sector and thus helps them achieve their objectives.

Westminster Kingsway College is the local further education college that offers courses in Art, Design, Fashion and Textiles.

The College offer apprenticeships to its students and Creative Careers can provide places for their students.

Creative and Cultural Skills (CC Skills) is a UK-wide charity aiming to help young people to find employment and workexperience opportunities in the creative industries.

CC Skills manages the national Creative Employment Fund that provides the wage subsidies of Cockpit Art's Creative Employment, funded by Arts Council England.

Cockpit Art's Creative Employment is the largest programme funded by CC Skills of its kind in the UK.

For CC Skills it was also important that Cockpit Arts shows that, with the right support, it is possible for young people to get employment in the creative sector.

"Cockpit Arts' approach will hopefully inspire others in the sector to take the leap".

The Prince's Trust is a national charity that aims to change the lives of young people who are unemployed and those struggling at school and at risk of exclusion.

The Prince's Trust refers clients they are working with that are interested in a career in the crafts industry to Cockpit Arts. Cockpit Arts then provides the young people with up to two years free studio space and intensive support. After this year the participants should be able to build a career as a designermaker.



The Prince's Trust also provides the business mentors for the self-employed participants.

Creative Careers provides valuable opportunities for The Prince's Trust's clients that are interested in working in the creative sector.

**Royal Bank of Scotland** is a multinational financial institution with a strong corporate social responsibility policy.

As part of its corporate social responsibility policy RBS staff are allowed to donate 5 days of their time to a social cause. The RBS HR (Learning & Development) team chose Cockpit Arts and delivered:

- three HR / employment training sessions for the Creative Employment participants and other Cockpit Arts' studio holders;
- three Train the Trainer sessions to transfer skills and knowledge to the Cockpit Arts' team; and
- access to the RBS employment helpline for the Cockpit Arts' team.

Apart from contributing to its social objectives, RBS saw this as a useful teambuilding exercise and valuable personal development for the trainers gaining experience in training people they would not normally deal with.

### Partners Perception of Cockpit Arts Programmes

From the consultation the following points arose:

- It is difficult to find employment opportunities in the creative industry.
- The Creative Careers and Creative Employment

Programmes bring people into the crafts industry that otherwise might not break into the creative industry.

- Cockpit Arts is widely seen as a success story.
- The main challenge is for the employers to make apprenticeships and supported employment positions sustainable.
- Paying the minimum wage was seen as a barrier for young people to accept the opportunities.
- It was seen as very positive that Cockpit Arts allowed the opportunity for employers to share an apprentice.

#### Impact on the Public Purse

Cockpit Arts creating employment opportunities for previously unemployed (young) people has a positive impact on the public purse.

The Creative Careers Programme has supported 12 designer-makers in their career to set up as a self-employed designer-maker in the first three cohorts of the programme (2010-13), with a 100% success rate.

The Creative Employment Programme is so far providing two apprenticeships (One Level 2 and one Level 3) and seven paid internships.

Since 2011/12 the designer-makers supported by the Incubator have employed 27 people.

The Cabinet Office has published a Unit Cost Database, bringing together national costs derived from government reports and academic studies, which can be used by commissioners and social enterprises to inform evaluations<sup>2</sup>.

The Unit Cost Database provides the following valuations:

- Annual savings to the Exchequer for an Apprenticeship Level 2 Qualification: £836.
- Annual savings to the Exchequer for an Apprenticeship Level 3 Qualification: £1,477.
- Average annual cost to the Exchequer of an 18-24 year old not in education, employment or training: £4,528.
- Fiscal annual benefit from a workless claimant entering work (Job Seekers Allowance): £10,025.

Table 2 shows the annual saving to the public purse as a result of Cockpit Arts employment programmes based on the Cabinet Office's Unit Cost Database.

TABLE 2: ANNUAL SAVINGS TO THE EXCHEQUER

	No.	Annual Savings	Total
Creative Careers	12	£10,025	£120,300
Creative Employment	1	£836	£836
	1	£1,477	£1,477
	7	£4,528	£31,696
Cockpit Arts Incubator	27	£10,025	£270,675
		Total	£424,984

http://data.gov.uk/sib\_knowledge\_box/toolkit

There is also research that calculates the value of providing apprenticeships and internships to employers<sup>3</sup>. This research concludes that there is an average increase of £214 per week, of which around £47 is lost to the employer through higher wages; so on average employers enjoy an additional value of £167 per week or £8,684 per year.

<sup>&</sup>lt;sup>3</sup> Productivity Matters: The Impact Of Apprenticeships On The UK Economy, Centre for Economics and Business Research, 2013

### 6. Conclusion

This Section draws conclusions from the research.



Cockpit Arts succeeds in creating employment opportunities in the craft industry for unemployed young people through its Incubator and the Creative Careers and Creative Employment Programmes.

#### **Impact**

For the employees and self-employed designer-makers, there are a large number of outcomes evidenced by the research, including an increase in confidence, self-esteem, independence, career focus, business skills, networks and professionalism.

For employees, there is also in some cases an increase in income.

Self-employed designer-makers also report increased artistic development and the sense that they are taken seriously as an artist.

For employers, the Cockpit Arts' employment programmes helps them increase their sales and grow their business, frees up valuable time that can be spent on artistic and business

development and a better work/life balance, increases their skills and makes them see their venture as a serious business rather than a lifestyle choice.

Partners find the programme very useful. It helps them to meet their own objectives and targets and Cockpit Arts provides examples that a career in the crafts industry is a possibility for young people.

Finally, data from the Cabinet Office Unit Cost Database suggest that the Cockpit Arts programme saves the Exchequer over £0.4million per annum.

The impact data in this report has enabled Cockpit Arts to compete for and win new business as a result of demonstrating its impact. To date this includes additional funds raised for its Creative Careers Programme in 2015 from The Santander Foundation.

#### The Cockpit Arts Employment Programmes

The Cockpit Arts Incubator has proven over the years to be a highly successful environment for starting and growing crafts businesses. The programme of support provided by Cockpit Arts' business development team, and the fertile peer-to-peer support and learning environment, is instrumental in this growth. Business growth inevitably leads to the creation of employment.

However, more tailored and targeted support on the administrative processes involved with employing and managing staff could help accelerate this process.

After a pilot phase the **Creative Careers** Programme is well-established. With 100% of the participants still working as self-employed designer makers, the programme has been very successful, and the combined support from Cockpit Arts and The Prince's Trust is highly effective to help unemployed young people to become self-employed in the craft industry.

The **Creative Employment** Programme was only established in 2013 and started to take in employees from March 2014. It is therefore too early to draw definitive conclusions about its success, but initial signs and previous experiences of employees show that this programme can lead to sustained employment. The minimum wage is seen, however, by employees and partners as a barrier for young people to accept apprenticeships and internships. The possibility to offer higher wages, perhaps the London Living Wage, should be explored in the future development of the programme.

#### **Monitoring Impact**

Cockpit Arts already has a bespoke Customer Relationship Management system for collecting and collating data relating to measurement of economic outcomes from its business incubator services.

In order to align its business incubator impact measurements with robust social impact assessment, Cockpit Arts has now included additional questions exploring the outcomes described in this report, thus ensuring that qualitative and quantitative impact data are collected on a regular basis.

This allows Cockpit Arts to report on the social impact relating to its present activities for growing and widening employment opportunities in the craft sector on a regular (annual) basis.

### Stakeholder Consultation and Next Steps

A soft launch event was held at Cockpit Arts on 30 October 2014 with the aim of sharing a draft version of the Social Impact Study with current partners and funders, including CC Skills and RBS, as well as representatives from the field of social investment, in order to seek their views on the initial findings and our ideas for next steps.

We presented the initial findings of the Study and expressed our view that the data collected was illustrating the need to:

- extend the programmes each year in order to test whether sustainable employment can be achieved;
- provide new employers with more support with employment practice; and

 explore potential partnerships with the further education sector to recruit a greater number of apprentices alongside graduate recruits.

During a lively debate, consultees agreed that the following are important factors in the further development of Cockpit Arts' craft employment programmes:

- More emphasis should be placed on the recruitment of nongraduates to new employee roles as experience of recruiting non-graduates had so far been very positive.
- Traineeships in partnership with a Further Education College to undertake recruitment of young people and provide essential work preparation training for work experience leading to an Apprenticeship at Cockpit Arts should be offered alongside graduate recruitment programmes, as a means of assisting with the skills gap.
- Recruitment of eligible trainees who are non-graduates might prove difficult, due to lack of awareness of the craft sector and craft business development as a possible career; however presenting the 'entrepreneurial' nature of a successful craft business could be helpful.
- Cockpit Arts would need to think about developing links with local schools as part of a partnership programme with a Further Education College in order to realise a pipeline of potential employee recruits over the longer term.

We would like to thank the following for taking part in the soft launch consultation: Daniel Williams (CC Skills); Julie Stockley (RBS); Julie Kouamo (Cockpit Arts' designer-maker and first time employer); Jane Kuria-Ronaldson (Cockpit Arts' Trustee); Jill Humphrey (Cockpit Arts' Trustee); Lyanne Nicholl (QEST); Katrina Cruz (Clearly So); Carole Milner (The Radcliffe Trust); Jill Makepiece-Warne (NADFAS); Kate Siebert (NADFAS), David and Mary Tsang; Geoff Russell-Jones (The Leathersellers' Company), and Andy Mellows (Worshipful Company of Drapers).

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