The Third Sector Workforce in Scotland: a review of publications

Introduction

This review outlines some of the main research publications relating to the third sector workforce in Scotland. It draws from a literature that has grown enormously over recent years, particularly since the inception in Scotland in 2005 of [Sector Skills Councils](http://www.scvo.org.uk/scvo/PolicyAndParliament/ViewPolicyInformation.aspx?al=t&page=&all=&from=PDSR&Info=498&TCID=54&PageName=Employment,%20Skills%20&CatID=10), which are employer-led bodies covering the workforce development needs of all who work in private, public and third sector organisations. They include all those working across a range of sub-sectors within the third sector such as early years and childcare, healthcare, arts and culture, adult residential care, housing support, domiciliary care as well as other areas.

Much of the appetite for researching the third sector workforce has become apparent since the recognition by government in 1997 that the sector warranted a strategic approach to workforce development. This later led to the formation in 2004 of the [UK Workforce Hub](http://www.ukworkforcehub.org.uk) which is co-hosted by NCVO, NICVA, WCVA and SCVO. The UK Workforce Hub is a strategic body which has responsibility for Standards-Setting for the third sector in the UK, and is licensed by the UK Government to develop national occupational standards for the sector and its specific occupations. A [consultation](http://www.ukworkforcehub.org.uk/home/38-home/429-sector-qualification-strategy-have-your-say) for a new skills strategy for the third sector was undertaken between December 2008 and March 2009. This will provide the framework for an action plan for the new Third Sector Skills Body – “Skills – Third Sector” which is due to come into place in England initially in 2009.

In Scotland specifically, the Scottish Government published in 2007 its [Skills for Scotland: a Lifelong Skills Strategy](http://www.scotland.gov.uk/Topics/Education/skills-strategy) and this has also provided the impetus for a number of research initiatives designed to arrive at a better understanding of the Scottish voluntary sector workforce.

General Statistics

[The UK Civil Society Almanac](http://www.scvo.org.uk/EvidenceLibrary/Home/ReadResearchItem.aspx?f=b&rid=836) is a major source of workforce intelligence for the UK sector. It is produced annually by NCVO and is a resource for anyone interested in civil society and the more narrowly defined voluntary sector in the UK. The 2009 edition, which covers the period 2006-07, contains a chapter on the workforce of general charities[[1]](#footnote-2) as well as a chapter on volunteering in England and Wales drawing on the biennial [Citizenship Survey](http://www.cabinetoffice.gov.uk/third_sector/Research_and_statistics/third_sector_research/citizenship_survey.aspx). The core statistics for Scotland are provided by SCVO.

In 2007, NCVO also produced the [UK Voluntary Sector Workforce Almanac](http://www.scvo.org.uk/EvidenceLibrary/Home/ReadResearchItem.aspx?f=b&rid=773) covering 2005 and drawing on the UK Civil Society Almanac 2008. The Workforce Almanac examines a range of characteristics such as voluntary sector employment, workplace and workforce, and includes a chapter that presents data on recruitment, retention, salaries, pensions, union membership and training. Its core data, which includes figures for Scotland, are drawn from the quarterly [Labour Force Survey](http://www.statistics.gov.uk/statbase/Source.asp?vlnk=358&More=Y#datacoverage).[[2]](#footnote-3)

The most authoritative workforce statistics for the sector in Scotland are extrapolated from the SCVO Panel, the largest and most detailed cross-section of available data covering 5,000 organisations. The data in the SCVO Panel are derived from Scottish voluntary organisations’ annual accounts. The latest figures are set out in the SCVO publication [Scottish Voluntary Sector Statistics 2007](http://www.scvo.org.uk/EvidenceLibrary/Home/ReadResearchItem.aspx?f=b&rid=758) which refer to year 2006. Earlier workforce statistics based on data drawn from the SCVO Panel are available for 2001 and are contained in the report [The Workforce Contribution of the Voluntary Sector](http://www.scvo.org.uk/scvo/Information/ViewInformation.aspx?page=3&all=False&from=ASR&Info=165) which is available on the SCVO website.

In 2003, SCVO produced a series of reports based on primary research and secondary analysis into the Scottish voluntary sector's paid workforce. This series led to a paper published in 2004 which set out to assess the resulting evidence contained in these reports to address the question, ‘What evidence do we have of the contribution of the Scottish voluntary sector to the careers of Scotland’s employees?’ This paper is entitled [Voluntary Sector Labour Market Intelligence (LMI) Research Report 2004](http://www.scvo.org.uk/EvidenceLibrary/Home/ReadResearchItem.aspx?f=b&rid=745).

The Focus on Skills

The important task of assessing the supply and demand for voluntary sector skills has been explored in a number of key research publications, the most comprehensive of which in recent years has been the NCVO [Voluntary Sector Skills Survey 2007](http://www.ukworkforcehub.org.uk/images/pdf/complete-skills-survey.pdf)[[3]](#footnote-4). The main survey consisted of 2,564 interviews with voluntary sector employers across the UK. Representative samples were selected for each country within the United Kingdom allowing figures to be disaggregated to Scotland. The set of tables that was generated for Scotland[[4]](#footnote-5) considers functions in organisations, vacancies, trends in recruitment, as well as actions taken by employers to overcome skills needs.

Headline findings for each UK nation (%)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | England | Northern Ireland | Scotland | Wales |
| Any hard to fill vacancies |  24 |  19 |  19 |  27 |
| Any skills shortage vacancies |  37 |  35 |  42 |  41 |
| Any skills gaps |  29 |  42 |  30 |  40 |
| Anticipate futures skills gaps |  48 |  57 |  45 |  48 |
| Formally assess skills gaps |  73 |  71 |  75 |  68 |
| Hold a training and development policy |  74 |  77 |  78 |  73 |

 Base: Varies.

In 2007, a voluntary sector profile was jointly produced by Futureskills Scotland[[5]](#footnote-6) and SCVO, using, in the main, data taken from the [Scottish Employers Skill Survey 2006](http://www.scotland.gov.uk/Resource/Doc/919/0065315.pdf). Amongst the findings of the survey was the conclusion that in the Scottish labour market generally, skill gaps tend to be more common than skill shortages, affecting around one in five Scottish workplaces and 8% of employees. In contrast, skill gaps affect fewer voluntary sector workplaces (around one in six), but a greater proportion of employees (11%).

Also in 2007, a Training Needs Analysis of the voluntary sector in the Highlands and Islands was published. The main purpose of the analysis was to ensure that the Highlands and Islands Community Capacity Partnership (HICCaP) and key partners had the necessary and sufficient information to keep in touch with the skills required to build a strong sustainable voluntary sector in the Highlands and Islands. The analysis was based on the skills framework developed by the Scottish Centre for Regeneration (SCR) which identified 22 skills belonging to three distinct categories: process skills, practical skills and strategic skills. The analysis was completed by 180 organisations across the region.

Salaries

One source of information on broad trends with respect to UK voluntary sector remuneration is the [Annual Voluntary Sector Salary Survey](http://www.scvo.org.uk/EvidenceLibrary/Home/ReadResearchItem.aspx?f=b&rid=870). This survey calculates movements in earnings and salaries based on a constant sample of 11,998 matched individuals. More specific information on the salary levels of Scottish fundraisers is available from the [Scottish Fundraising Salary Survey 2008](http://www.scvo.org.uk/EvidenceLibrary/Home/ReadResearchItem.aspx?f=b&rid=785).

[Recent research](http://www.altruisticeconomist.co.uk/workingpapers/wp2008text02.pdf) (Rutherford, 2009) has been carried out at the Department of Economics at Stirling University into the measurement of wage differentials. This research investigates whether workers in the UK voluntary sector are paid less than their colleagues in the private or public sectors. Using data from ten years of the UK Labour Force Survey, the paper finds significant voluntary sector wage premiums in these industries, contradicting "warm glow" theories of nonprofit wage setting.

The Volunteer Workforce

Extensive research has been conducted into the volunteer workforce, although there is still enormous scope for further research. Due to the wide range of available research literature relating to volunteering and the volunteer workforce, this research will not therefore be summarised here but will be the subject of a separate review. The most recent sources of statistical information on volunteering in Scotland are the [Scottish Household Survey: results from 2007](http://www.scotland.gov.uk/Topics/Statistics/16002), the [Volunteer Development Scotland Annual Statistics 2007](http://www.vds.org.uk/Resources/Annual%20Statistics%202007.pdf) and the study [Volunteering in the Highlands and Islands](http://www.hie.co.uk/HIE-economic-reports-2007/ent-communities-volunteer-study-0307.pdf) published in March 2007.

Academic Research

In addition to the research on wage differentials currently being undertaken at the University of Stirling, there are a number of Scottish academic departments actively pursuing research on the third sector workforce. The [Voluntary Sector Research Centre](http://www.gcal.ac.uk/vsrc/research.html) at Glasgow Caledonian University, for example, has undertaken a number of programmes looking into workforce issues, as has the [Scottish Centre for Employment Research](http://www.strath.ac.uk/hrm/research/scer/scerprojects/), based at the University of Strathclyde. Dundee University is continue to develop a third sector research programme promoting interesting new work on volunteering, whilst Edinburgh University Business School is also developing new third sector research work streams, some of which is already available at [www.scothub.org](http://www.scothub.org) .

Useful websites

UK Workforce Hub

<http://www.ukworkforcehub.org.uk/>

SCVO Workforce pages

[www.scvo.org.uk/workforce](http://www.scvo.org.uk/workforce)

1. The UK Civil Society Almanac 2009 classifies Scotland’s 21,000 registered charities among the total number of general charities registered in the UK. [↑](#footnote-ref-2)
2. For the purposes of this publication, employees’ responses to the LFS were recoded into a sector variable and defined as ‘private’, ‘public’ or ‘voluntary’. A full description of the methodology is available [here](http://www.ukworkforcehub.org.uk/hr-a-employment-practice/uk-voluntary-sector-workforce-almanac/185-alma-ap1-methodology). [↑](#footnote-ref-3)
3. A report focusing on England and entitled ‘[Third Sector Skills Research 2008: Further evidence and recommendations on skills gaps](http://www.ncvo-vol.org.uk/publications/publication.asp?id=9978)’ was published by the UK Workforce Hub in 2008. Discussions are currently ongoing with regards to updating the broader UK research. [↑](#footnote-ref-4)
4. This set of tables is not available in electronic format. [↑](#footnote-ref-5)
5. Futureskills Scotland is part the Lifelong Learning Unit of the Analytical Services Division of the Scottish Government's Education Directorate. For further details, please visit: <http://www.scotland.gov.uk/Topics/Economy/labour-market> [↑](#footnote-ref-6)