



PRESENT TENSE, FUTURE IMPERFECT?

Young people's pathways into work



Preliminary findings from the ESRC-funded research:
Precarious Pathways into Employment for Young People

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Introduction

The landscape of work is changing rapidly and young people need information about these changes to enable them to navigate this complexity. The transition from education to work presents young people with an important and complex set of decisions. How long should they remain in education? What kind of work interests them and how will they discover the available options in terms of finding out about work? Is a university education a sensible route for all those who can make the grade? What about job-related training - how will it help and who will provide it?

Work is fragmenting in ways that complicate the picture further. In response to competitive pressures, and to meet the demands placed on them by consumer lifestyle changes, an increasing number of employers have tapped into what has become known as the 'gig economy', providing work in a piecemeal fashion to sub-contracted temporary or self-employed workers. Other employers may provide opportunities for young people to join their workforce for a limited period, possibly without pay, both to enable them to gain some experience of a structured work environment and to assess their suitability for work.

This report presents preliminary findings from a major research project that sheds light on these changes. Our evidence is derived mainly from discussions

with employers and interviews with young people, focussing in and around the West and East Midlands.

Throughout, we have been concerned to engage with representatives from the full spectrum of youth labour market stakeholders who, from their different perspectives, have a much clearer and more detailed understanding of the dynamics of different parts of the labour market and the opportunities available to young people over the last few years than we could achieve.

The following section provides a statistical picture of the changing nature of the labour market in the Midlands. The third section draws on evidence provided by employers. The fourth section presents information provided by school and college leavers. This is followed by a section illustrating the experiences of graduates. Two further sections follow. The first of these places the changes we are now experiencing within a historical context. The final section draws these findings together, highlighting what we see as the major issues which need to be addressed by all who have an interest in the pathways young people are taking as they enter the labour market. We hope that you will read this report, discuss it with your colleagues and wider social networks, and send us your suggestions for our final report.

1. The changing labour market in the Midlands

In the 1930s, the Midlands suffered from the severe industrial depression that afflicted much of the country. However, it also illustrated the new industrial future. In Leicester, the hosiery trade benefitted from the advent of new artificial fibres: new electrical engineering workshops were growing (and even short of labour). In Coventry and Birmingham, white goods, new car and motorbike industries emerged to complement older metal working trades (including small arms and jewellery). In Birmingham, confectionary and all manner of retail trades continued: Dunlop relocated from Ireland as Morris motors (and its supply chains) flourished. Larger industrial establishments offering lifetime employment in steady work replaced older apprenticeship-based workshop trades. In Birmingham, small-scale production was eclipsed as mass-production expanded, establishing the city as a major centre for car manufacture well into the 1970s. This industrial picture, reinforced during the Second World War, formed the foundations on which national and local policy was built. This labour market was predominantly male. Wives in respectable households were not economically active: textile and pottery production used married female labour, but this was not the case in Birmingham and Coventry. Moreover, the labour market was much younger in the 1930s. A school leaving age of 14 (raised to 15 in 1947 and 16 in 1972, with a requirement to participate in education until 17 in 2013 and 18 in 2015) had a marked impact on the length of working life. Transitions to work in the 1930s took place during childhood. Responsible adulthood was achieved in stages. Work started at 14, social insurance coverage at 16 and voting age at 21. Failure to secure work on leaving school was variously translated as a duty of care, a matter of discipline or a failure meriting punitive treatment.

Employment

Changes in data sources and in classification systems means that there are difficulties in measuring trends in employment over time because of discontinuities. For this reason, the analysis below looks only at recent decades.

Significant features of the changing sectoral structure of employment in Great Britain and in the Midlands from 1994 to 2014 are:

- ▶ the decline in employment in manufacturing from 15 per cent of the total in Great Britain in 1994 to less than 8 per cent in 2014, with a continuing decline projected in the medium-term;
- ▶ increasing employment in the service sector: it accounted for around 25 per cent of total employment in Great Britain in 1994 and 33 per cent in 2014. Such change may reflect corporate restructuring and the subcontracting of services to independent specialist firms;

similar general trends of a decline in manufacturing employment and increased employment in services in the West and East Midlands, but with manufacturing accounting for a greater than national average share of employment and business & other services a smaller than national average share of the total in the Midlands.

The shake out of jobs in manufacturing is well established. According to the 1971 Census of Employment, 50 per cent and 43 per cent of employees in the West and East Midlands worked in manufacturing, compared with 36 per cent in Great Britain. A steady decline in the share of employees in manufacturing in the 1970s was followed by major job losses in the early 1980s. In 1987 manufacturing accounted for 33 per cent of employees in the West Midlands, down from 39 per cent in 1981, while in the East Midlands the respective shares of employees in manufacturing were 32 per cent and 36 per cent, compared with 24 per cent and 28 per cent for Great Britain.

By 2015 only 8 per cent of employees in Birmingham worked in manufacturing, compared with between 11 and 12 per cent in Leicester and Coventry. In these three Midlands cities, numbers working in each of the wholesale and retail trade, education, and human health and social work activities exceeded those in manufacturing. In Birmingham, more people worked in the professional, scientific and technical, administrative and support service sectors than in manufacturing.

The sectoral profile of employment varies by age group (see Figures 1 and 2). Data from the Census of Population shows that in the Midlands in 2011 just over 40 per cent of young people aged 16-24 in employment were engaged in distribution, hotels and restaurants – a far larger proportion than in any other age group. By comparison under 8 per cent had employment in manufacturing. There are some minor differences between the Midlands cities, with a slightly larger share of young people employed in Manufacturing in Leicester and Coventry than in Birmingham. In all three Midlands cities Distribution, hotels and restaurants is the largest single employment sector for young people.

Figure 1: Sectoral profile of employment in the Midlands, 2011 - ages 16 and over

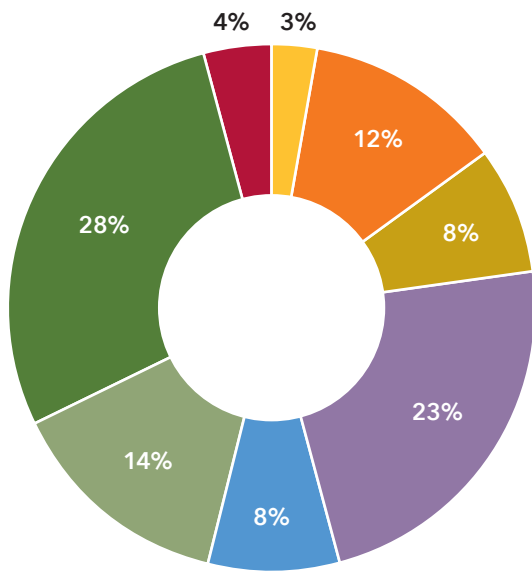
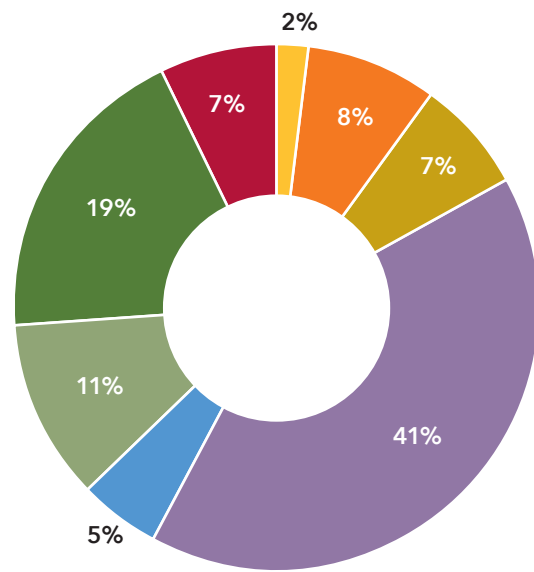


Figure 2: Sectoral profile of employment in the Midlands, 2011 - ages 16-24



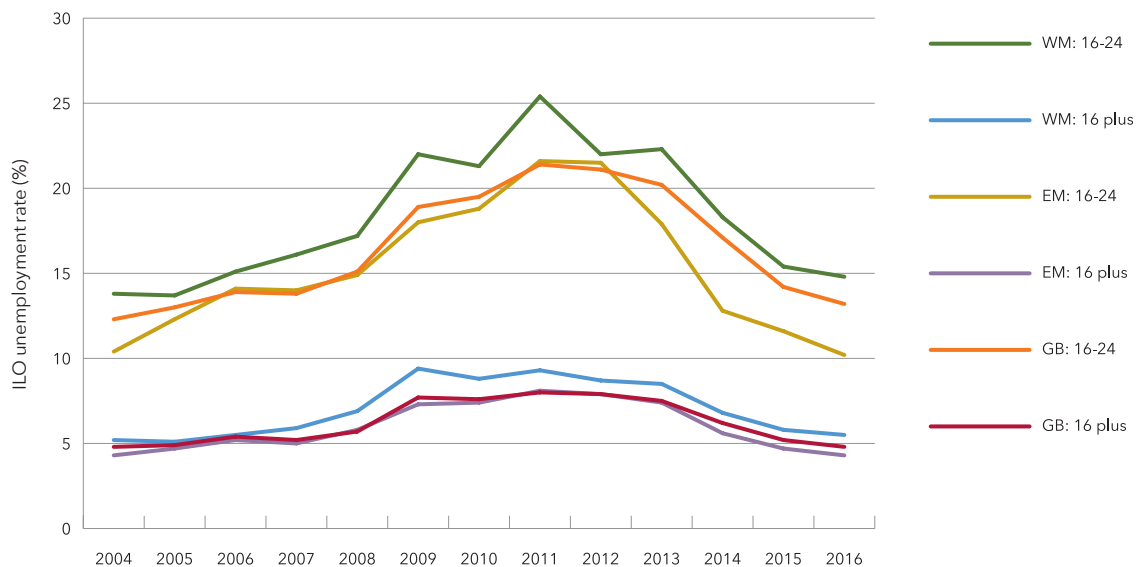
- Agriculture, energy and water
- Manufacturing
- Construction
- Distribution, hotels and restaurants
- Transport and communication
- Financial, Real Estates, Professional and Administrative activities
- Public administration, education and health
- other

Source: 2011 Census of Population

Unemployment

Figure 3 shows the unemployment rate for young people (aged 16-24 years) in Great Britain and in the West and East Midlands for the years 2004 to 2016. The unemployment rate is higher for young people than for the entire population and young people were particularly hard hit by recession. In the West Midlands, the unemployment rate for young people peaked in excess of 25 per cent in 2011, while the comparable rate for adults was just over 9 per cent. The substantially higher levels of unemployment for young people helps to explain concerns at international, national and local levels about its impact on young people and shaped how this issue should be addressed.

Figure 3: Unemployment rates for young people and all ages, 2004-2016: Great Britain, West Midlands and East Midlands



Source: Annual Population Survey (via Nomis) Key: GB = Great Britain; EM = East Midlands; WM = West Midlands

2. Investigating employment opportunities for young people

An important element of the research was to investigate the current youth labour market from the perspectives of both supply and demand. The Midlands labour market is diverse and we were concerned to investigate opportunities available to the full spectrum of young labour market entrants. For this purpose, we sought the following information from employers: their policies and practices regarding the recruitment, training and deployment of young people and their views about the young people they employed and had considered for recent vacancies. We were interested to hear about skills shortages they had encountered and their provision of both paid and unpaid work experience to those seeking to enter the labour market. To enable us to explore these issues, we carried out case studies of organisations in seven sectors; health, hospitality, automotive manufacturing, third sector employment (especially voluntary organisations), food manufacturing, the creative industries and business-to-business services.

The selection of the sectors, shown in the Table 1, was designed to capture variations in norms about the recruitment and retention of young workers. It also covers a wide range of different occupations, skills, and organisational characteristics found throughout the economy. It includes sectors where small enterprises are common, as well as sectors where one or two large employers dominate the labour market. Importantly, the sectors also vary in importance for the development of local labour market strategies. Some are growth areas, others are declining in importance. After getting a sense of what the norms were for those sectors and occupations, we identified one or more key Midlands employers in each sector. This gave us both a broad view of young people's deployment and the opportunities available to them within these organisations, and a detailed exploration of the specific issues facing individual employers. Taken as a whole, this has given us comprehensive insight into what employers think about these issues.

Table 1 Selected characteristics of the employer case study sectors

Sector	Total UK employment	Norms for young workers transitions	Typical organisation size
Health - NHS	1.3 million	Professional occupations - through training routes. Other occupations - direct recruitment. Growing apprenticeship routes.	Very large employers
Automotive Manufacturing	161, 000	Apprenticeships, graduate entry schemes, under-graduate placement schemes and work experience.	Several very large employers - smaller employers in supply chains
Food and drink manufacturing	400, 000	Drive towards increasing the number of young people taking up employment in the industry, mainly through the expansion of apprenticeship schemes. Graduate schemes, industrial placements offered by large employers.	Some large employers, but majority SMEs
Voluntary (third) sector	821, 000	Unpaid work common. Flexible contracts. Often dependent on external funding.	Dominated by small and micro organisations
Creative industries	2, 500, 000	A wide range of placements, internships, voluntary labour, apprenticeships and work experience. Dependent to a large degree on Arts Council funding and on a steady supply of young workers. A London-centric sector, so often difficult to recruit locally.	Small and micro organisations
Hospitality	2, 900, 000	Flexible work common. Graduate schemes and work placements provided by large employers. Focus on growing apprenticeship routes.	Dominated by small employers
Business to business services	3, 800, 000	Well-structured internships, apprenticeships and graduate entry schemes.	Large employers

Our headline findings indicate that, without exception, the employers that we spoke to in these sectors were reflective about the challenges they face. More interestingly, they see themselves as having relatively little power in the labour markets in which they work – even when they are one of the largest employers with over 100 applicants for some jobs.

Recruiting the ‘right’ young people – the war for talent

Almost universally, the employers we interviewed were concerned about recruiting and retaining young people who had the skills and attitudes they needed. Some were less concerned about specific skills and simply wanted to identify people who shared the core values of the organisation. Others were concerned to broaden the range of employees, for example the ethnic mix of the workforce. But a common theme across all of the employers was that they struggled to recruit enough good quality workers, even when they were offering what they regarded as good contracts and good training and career progression. This was particularly the case in business services and automotive manufacturing, where in spite of a strong supply of young people, it was felt that specific technical skills were lacking, or there was little evidence of actual or latent management and leadership skills.

There is an important puzzle here emerging from the wider project: in the sections that follow, young people frequently complained about how difficult it had been to find experience and employment, while the employers almost all commented about difficulties in finding and retaining the “right kind of young people”.

Awareness of opportunities

Hospitality, Creative and Food Manufacturing sectors complained that young people (or their parents, colleges and schools) had very little idea of the opportunities available in their organisations. This has been exacerbated by the severe decline in careers advisory services in the UK, especially for lower skilled workers. Despite government policy aimed at increasing the uptake of apprenticeships, employers in several sectors (e.g. business-to-business, creative, automotive manufacturing) raised concerns about the lack of knowledge about apprenticeship programmes among young people, in part attributing this to a focus on higher education within schools and colleges:

“I think one of the key things, that I’ve observed in the last year or so, is that schools are under so much pressure to succeed and achieve, and to get their students aspiring to sixth form college,... I mean, I’m going to careers events and things where I’ve got a stand, talking about apprenticeships, and they’re all just saying to us, ‘Yes but we’re going to sixth form’, or you know, ‘We don’t get given information about apprenticeships because they want us to go to sixth form’.” (Creative sector employer)

To an extent, this is a result of poor ‘labour market matching mechanisms’. The collapse of careers advice services, especially for lower skilled workers¹, seems to be playing out in both sides of the employment relationship.

Unrealistic expectations

There is some evidence that both employees and employers may have slightly unrealistic expectations about the recruitment process. Employers have been accused of having unrealistically high expectations of young recruits that are not always achieved or managed effectively². Equally, some young workers have unrealistic expectations about the world of work and have lacked suitable advice about how to identify and seek appropriate employment and present themselves to employers, as we will see in subsequent sections. But according to the employers we interviewed, this is certainly not the dominant story. More commonly the experience of employers is to struggle to get applicants (and sometimes their parents and schools) to consider the opportunities that exist in sectors such as hospitality.

Employers (particularly in automotive manufacturing, business-to-business and food manufacturing sectors) felt young people held very unrealistic expectations about their employability and value and about how quickly they would be promoted to managerial positions. This was particularly true of graduate intakes, many of whom thought their degree qualified them for swift promotion:

“...[graduates] have got a very high expectations, because obviously they’ve worked hard for that three- or four-year degree from that brilliant university and they’ve been told they are a diamond. So, you know, I understand why they come in with that sort of thinking, but from a business employer perspective we have to, not shoot it down as soon as possible, but we have to try and provide what the reality check is in terms of ‘right guys we love your passion, we love your enthusiasm, but you’re not going to go and get your manager role within the first six months, you need to earn your stripes’.” (Business-to-Business Services Employer)

Managing expectations is an important challenge for employers of high-skilled graduate labour. Related to this, employers in all sectors expressed concerns about the retention of (highly qualified) graduates who are viewed as having considerable labour market power. As one senior manager commented,

- 1 See, for example, National Careers Council (2014) *Taking Action: Achieving a Culture Change in Careers Provision*; Artess, J., Hooley, T. and Mellors-Bourne, R. (2017). *Employability: A Review of the Literature 2012-2016*. York: Higher Education Academy.
- 2 Peter Cappelli (2012), *Why Good People Can’t Get Jobs: The Skill Gap and What Companies Can Do About It*. Pennsylvania: Wharton Digital Press.

".... there's a lot of pressure on the employers. And equally, I'll be honest, you know, we want a return on investment, we want to make sure that the good people stick with us, but we tend to find, like graduates, the very crème de la crème, they know their worth and they know who else might want them as wellwhilst the pond is massive, the pond for the crème de la crème seems to be quite small". (Business-to-Business Services Employer)

"It does feel like this is where you really see that young qualified talented people, the employment market is there for them. They're the people with the control, it's not the employers". (Automotive Manufacturing Employer).

Another employer said,

"We keep taking young people and we keep losing them once we've trained them, to competitors.....We'll recruit someone, we'll train them, we'll spend a lot of money on them and just when they're adding value our competitor will come approach them. So quite often I'd advise my board saying 'Look, why do you keep bringing graduates?', because I'd pay for someone who's been [a graduate trainee] for someone else for three years and has got the rough edges off of them and had investment training, that actually knows something now. They can hit the floor running. My board doesn't agree with that and they still do the same thing and the same affect keeps happening. It really costs us money so personally I don't think graduates work, for us. I'll have them after they had the first job". (Food Manufacturing employer).

The mismatch between what employers mean when they say they want 'work ready' applicants, and what their applicants understand as requirements for successful appointment, was apparent in the employer case studies. Basic skills such as attendance and attitude were regarded as important for both graduates and lower skilled work. Several employers expressed the view that graduates in particular have very high expectations of how quickly they will progress to managerial grades and beyond. Managing those expectations is an important challenge for employers of high-skilled graduate labour. On the other hand, employers have high expectations that potential young recruits need to have researched the organisation, be passionate about joining it as well as share its core values. There is evidence that paid internships ease this process for both non-graduates (16 to 18 year olds) and graduates alike, as is discussed below.

Managing and outsourcing risk

Employers take a considerable risk when they hire a new worker. Unsurprisingly a dominant part of how they explain their experiences relates to managing that risk. There are many reasons for this, which vary between sectors. For example, employers in the hospitality and food manufacturing sectors viewed young people as often unreliable and flighty. There was no guarantee they would turn up on a zero hours contract even when some core hours were guaranteed by the employer:

"I know there's been a lot of bad press about it [zero hours], but my experience of it, it works both ways, there isn't a commitment from the employee side at all, so, they don't want to come in next week, they don't come in. ... To me, that was more a challenge for the employer than it was for the employee". (Hospitality employer)

In automotive manufacturing and business-to-business sectors, the risk is seen differently. Complaints here focus on young people not being 'job ready' (as perceived by the employer). Particular complaints were around young people who had reached the age of 21 with no work experience at all. Taking on such individuals, even on an unpaid internship, was viewed as too risky. Some sectors (e.g. business-to-business) expected someone aged 22 to have at least three years' work experience and preferably more before they would take the risk of employing them on any kind of contract. Prior experience, in some cases, was required even for selection onto unpaid short-term student work experience placements:

"We always interview them to make it as real as we can and it's not formal, I mean it's more of a chat. You know, it's a chat over a coffee in an office type of thing, but then we'll ask some questions, ask them about their course, what they want to do, what part time job, you know what customer services experiences they've had, what they think is good customer service, reiterate how important it is that they're reliable, timekeeping, etc. Unfortunately we have had to say no to a couple of people after those interviews.....Perhaps when they've got a bit more life experience, or work experience, perhaps come back then". (Hospitality employer)

Employers used various strategies to mitigate risk, including the use of employment agencies which enable the pre-screening of applicants. Additionally, all employers saw different types of precarious labour as a better mechanism than interviews for identifying individuals to recruit as employees.

'Careful recruitment'

Employers in some of the sectors we investigated saw schemes such as internships (paid and unpaid), work experience and similar as a way of identifying future employees, regarded by many of them as a much more effective mechanism for screening potential applicants than traditional routes such as interviews. Internships and other work experience programmes were also used as a strategy to minimise retention risks to the extent that they enable young workers to 'try out' the organisation before making a longer-term commitment:

"What we definitely want to do is try and hire those individuals who've had experience with us, just so we can appreciate if they've come here and they've enjoyed it and they also know the culture. Then we'd like to think they already know it and we offer them an opportunity, (a), they'll accept or, (b), they'll stay longer, because they already know the vibe, they already know what it's like to work here, rather than just maybe rely on half days or a couple of hours at the assessment centre, and they don't know us from Adam, they're almost coming in blind, they don't know the values, they don't how fast paced our organisation is".
(Business-to-Business Services Employer)

"Since you mentioned work experience, it is, one of the reasons why we are, with naked self-interest, quite keen to make sure that we run work experiences is that the conversion rate from a work experience person to an apprentice is quite high. You meet a lot of people my age wandering around this factory that came and did work experience, and that's why they're still here".
(Automotive Manufacturing employer)

Agencies also perform this role in both graduate labour markets and for roles that require fewer qualifications. However, employers we spoke to were very clear (with an eye to recruitment) about how they regarded schemes such as internships. Examples of successful recruitment through these routes are provided in the sections about young people's experiences, but implicitly, all of these screening mechanisms come with risks for the prospective employees. Some sectors do require large numbers of project-based workers such as for hospitality events, in the creative industries and voluntary sector. Building a professional reputation and career in those sectors can demand long periods of hyper-flexible working before other opportunities arise, if they ever do.

Tensions between entry routes

In both business-to-business services and in manufacturing, we observed different routes into work being used to differentiate between groups of

workers. The larger organisations in our study offered a variety of entry routes for young people. Top of the hierarchy were apprenticeships with structured entry and training, sometimes with the explicit expectation that successful apprentices would be offered a permanent role at the end of their training (especially true in automotive manufacturing). At the same time, other young people were coming into the organisation as agency workers or on temporary contracts. Workers were often aware of these distinctions and employers found this created high levels of dissatisfaction amongst young workers. Employers reported these different entry routes to be a form of screening, but there was little consistent evidence that there were systematic mechanisms to enable workers to move internally onto more advantageous routes.

The changing role of apprenticeships

The research has taken place during the period where the Apprenticeship Levy has been introduced. Although that was not a main focus of the study, it was unsurprisingly that it was a central area of interest for employers. Opinions varied considerably, but many felt they were likely to end up as net contributors to the system. It seems unlikely that this will in fact be the case, as many - but not all - of the case study employers did employ apprentices, so were also likely to claim back from the system. More generally, apprenticeship quality assurance mechanisms were viewed as being unnecessarily complex and a disincentive for many employers; both those who participated and those who chose not to. In one (Business-to-Business Services) organisation, it was clear that Level 6 apprenticeships (although offered) were not attractive to graduates. As one informant explained, young people think: "What's the point in an apprenticeship? I've already got my degree." This organisation was about to offer Level 7 apprenticeships to see if this Master's Level programme would be more attractive.

What explains employers' experiences and attitudes

Apart from the voluntary sector, the only organisation to mention explicitly a sense of social obligation was in the creative industries. This organisation was the only one in our sample to provide a range of short-term employment opportunities which provided skills for young people to go out and get jobs elsewhere. These ranged from work experience for school leavers, internships for graduates and unpaid work (with an emphasis on taking young people with social or economic problems). In addition, one of the hospitality sector companies had demonstrated a sense of social responsibility by running an apprenticeship scheme and training restaurant for disadvantaged youth, but the initiative had been driven by one individual HR manager. The scheme was not continued after she left the organisation.

All other organisations in our sample viewed themselves as solely receivers of a mixed bag labour supply, over which they have little or no control.

Should employers feel a greater sense of social obligation? We say yes. But our evidence says five of the seven sectors show little evidence of social obligation. Those which do (in the creative and voluntary sectors) are dependent on uncertain public money to provide and sustain this.

Six main factors have been identified as shaping some of the views and experiences of the employers in this study.

1. *Sector norms.* There is a strong normative pull in all sectors. The norms of apprenticeship provision in automotive manufacturing, for example, survived long periods where apprenticeships were not co-funded by the State. These remain central to the thinking of employers in the sector about how to recruit and train young people. Sector norms of hiring staff for the duration of specific projects in the voluntary sector also create the context where job security is rare. Our case studies confirmed that each sector has very strong norms and these were reported to be common across many organisations.
2. *Business models.* Unsurprisingly, sector norms are also associated with business models and models of productivity and profitability in specific sectors and organisations. It is too simplistic to say that the highly profitable organisations trained young people more, but it is certainly the case that organisations that had been struggling reported that they find it very difficult to train young people. Those organisations were more likely to rely on insecure and flexible workers, and young people were most often recruited to those norms.
3. *Professionalization of skills and HR* – itself a factor associated with the size of the organisation. The larger organisations had HR expertise and greater formalisation and professionalization of skills development, training and recruitment. Larger organisations do have larger and more formalised Human Resource Management (HRM) departments. These included Food Manufacturing, Health, Automotive Manufacturing and Hospitality. Conversely, voluntary organisations have very small HR departments (sometimes only one individual) and our creative industries organisation did not have an HR department at all (relying on the General Manager to carry out the role as part of the overall management job). Unsurprisingly, therefore, the larger organisations had more experience of recruiting and managing young workers, and more entry routes into the workforce. However, large and formalised does not equate to helping young people into a long term employment contract. We found that HR had become largely a support function for management (to help implement its projects and changes) and had little engagement with young people.
4. *Transferability of skills.* The less transferable skills are between organisations in the same sector and beyond, the more likely it is that employers offer specific training routes and recruit directly

to them. Young people coming into those routes have a high chance of being offered more permanent positions if they successfully complete the early stages of training and development. By contrast, employers in sectors where skills are highly transferable between employers, or even between sectors, perceived that they had few incentives to invest heavily in recruiting and training young workers.

5. *Position of the employer in the local/national labour market.* Our findings here are less expected. We anticipated that employers that dominate local labour markets (the NHS, large manufacturing employers etc.) were more likely to find themselves in the enviable position of having a larger pool from which to recruit. While this may be the case in terms of the number of applicants for a job, these employers still reported that they struggle to attract good recruits, and that retaining them is a considerable challenge.
6. *Role of intermediary organisations.* Intermediary organisations such as agencies and other matching services were considered extremely useful by all of the employers in enabling them to outsource risks in recruiting new staff. However, it risks that potential applicants are either put off the recruitment process, or never apply perhaps because they are unaware. Finding the right partner as an agency or other recruitment agent is vital both for the quality of applications, and to avoid potential reputational damage. The 2014 report by the National Careers Council also highlighted some improvements needed for agencies and similar partners. These include higher levels of engagement with employers and schools; keeping advice simple; being clear about whether advice is nationally or regionally based and, above all, demonstrating possession of high quality labour market information. Seventy per cent of young people in the UK rely on their parents for careers advice. Many parents have limited or out of date information, however. Employers in our study valued agencies highly, but felt there needed to be greater clarity and integration between intermediaries, schools and colleges and employing organisations. One employer described using agencies as like a very complicated supply chain which urgently needed simplification and greater clarity.

Conclusions

Whilst business and sector norms, developed over many years, may be slow and resistant to change, our research did indicate some areas where significant improvements might be made. Even in larger organisations where HR is a key and often well-staffed function, HR expertise is skewed toward factors (such as strategy or service provision) other than the employment and development of young people. Recruiting interns and apprentices is one thing. Looking after them and developing them is another. As one informant commented, "...Senior managers

don't have the time or the expertise that it takes to... look after apprentices because apprentices do need a lot more input..." (Creative Sector Employer). We conclude that the role of HR may be better directed more toward directly helping the management and development of apprentices (and interns) than is currently the case in our sample.

Backward integration along the labour supply chain is urgently needed in all sectors we examined. Schools and Colleges were reported as being either too busy to engage with employers or, often, unaware of employment opportunities and pathways available to young people. Equally, some employers did not seem to have spent much time informing schools and colleges about what careers in the organisation were like and what opportunities existed. It is clear from evidence from young people that most careers functions in schools and colleges had limited resources, which implies that there may be little chance of them being able to take on this extra work in the near future. Nevertheless, the need for greater integration along the labour supply chain seems urgent.

The long-standing argument about what being work ready means to both employers and prospective employees needs addressing. It is clear that, often, employers mean one thing and prospective employees another. Employers view being 'work ready' as not only having a passion to join the organisation, but also being able to demonstrate detailed knowledge about what the organisation does and how it operates. Employers perceived many graduates as believing that possession of a degree constituted being work ready, whereas too many non-graduates viewed simply getting a job (even the most precarious zero hours job) as proof that they were work ready, without having considered the requirements of jobs, employers' expectations or their own strengths and weaknesses.

3. The experiences of school and college leavers

We were concerned to explore pathways into work from the perspective of young people who had completed school or via further education with no intention of entering higher education. We therefore undertook group discussions in Coventry, Birmingham and Leicester with young people from a range of backgrounds, and at different stages of transition, and followed these up with individual interviews to explore these issues and experiences in further detail. To ensure a wide range of experiences, we also interviewed additional young people and, where possible, we re-interviewed participants between 6 to 12 months later³.

In the research with these young people and the graduates in the following section, we investigated similar issues but also wanted to explore their contrasting experiences. Drawing on data analysis so far, we discuss common themes and the diversity of their experiences, before drawing out the similarities and differences between the graduate and non-graduate samples.

Careers information and guidance

Information and guidance while at school and college

Most participants reported having careers guidance while at school or college, but many felt that this had occurred too late. Without well-timed and adequate advice, thinking about the future proved difficult and the arrival of lots of information in short-time, during a 'careers week', for instance, exacerbated the problem of making what were often regarded as significant decisions:

"I only remember having, just, people coming out to visit us towards the end of my two years at sixth form, and then at that point you are panicking cause you're thinking: 'Do I want to work, do I want to do an apprenticeship, do I want to go to university, what do I even want to do?' You've got all those questions in your mind and then you've got externals coming in and talking about what they could possibly offer you, and I think it's just too late, because I think I needed it throughout the two years or maybe in the last year of sixth form".
(Chira, female, 22, administrator, fixed term employment in public sector organisation, accessed following completion of apprenticeship, Birmingham,)

Some general awareness of the various options available post-education was nevertheless fairly widespread. Yet, participants also felt that information was rarely detailed enough to allow informed decisions, and that the important advice provided by teachers, lecturers and careers advisers came with preconceived ideas about who it was best suited for. Apprenticeships, according to one respondent, "are always aimed at people who aren't going to get into university" (Jane, female, 21, level 3 logistics apprentice within automotive manufacturing company, Birmingham), despite the wide range of programmes available, up to and including degree or Masters level.

Respondents' accounts also indicated differences in information and guidance provision between different education providers. While some, such as Kalila (female, 17, student, Leicester) could "just drop-in" to see the careers adviser at her sixth form college to obtain personalised guidance and support, others spoke of much more restrictive provision. Further contrasts were also highlighted *within* schools and colleges, where a perceived emphasis on getting students into higher education left those not interested in this route feeling "pushed to the side" (Natalie, female, 18, unemployed, Coventry). This echoes the experiences of some graduate respondents who felt that they had been pushed into university without a clear idea of the positive alternatives. Stark differences in parental support, whether in terms of assistance with CV preparation, the completion of application forms, knowledge of possible employment options and the ability to assess these, amplified the impact of differences in careers guidance further.

3 Full methodological details will be provided in the final report.

Nicola - drawing on family for support and advice when formal guidance is lacking

Nicola is 20 years old and lives in Coventry. Academically, she did well at school and although she had no idea of what she wanted to do career wise, she always presumed she would go to university. This was what most of her peer group were intending to do and there was a strong focus on this route at her sixth form college. As her time at college progressed, however, she became certain that university was not for her, although she couldn't pinpoint why and was uncertain what to do next. Her teachers were not supportive about this decision and she felt frustrated by the relative lack of careers support she was given.

Her mum suggested an engineering apprenticeship within the advanced automotive sector, suggesting that engineering would suit her, since her strongest subjects were Maths and Physics. She was aware of a good apprenticeship programme within a large automotive company, which another family member had completed. Nicola was receptive to this idea, and applied via the company's online application process. Having never applied for a job in this way, and feeling ill-prepared for the process by the guidance received at college, she valued the support, both practical and informational, provided by various family members. Along with her own research on the company, this helped prepare her for the multi-stage selection process, and although she had little mechanical knowledge to draw on during the interview process, she was able to talk her experience of doing her bronze and silver Duke of Edinburgh Award while at college.

Now in her second year, Nicola has enjoyed the apprenticeship programme, especially the first year of training which was college based. That said, now based primarily in the workplace, as a young woman working in a male dominated environment, and with many of her immediate colleagues considerably older, she does sometimes feel a sense of social isolation at work. Nevertheless, she is keen to continue working for the company in the future if there are sufficient opportunities available to climb the ladder. If not, she will consider moving on. For the moment, however, she is financially comfortable and considers herself 'lucky' to have found a good job so quickly after leaving college.

Use of local Jobcentres

Another source of support and guidance came from Jobcentres, but the value of this seemed even more variable. One common theme was the lack of constructive guidance, where tailored knowledge and advice, or specific help in getting to the first stage of interview, was missing. What was commonplace were visits to Jobcentres dominated by administrative criteria, such as the need to apply for a requisite number of jobs, rather than forward planning or discussion of specific needs and aspirations:

"They don't really help you, like they don't help you apply for jobs or anything ... it's you basically, you're on your own, and they, they just check ... they see what you applied for, and after they've checked ... then you sign it. Then you just go."

(Amir, male, 21, business and administration apprentice within public sector organisation, Leicester)

More positive was the view of some participants that some Jobcentre staff were good at providing moral support. For those struggling to get a foothold in work, this was a valuable resource for coping with the formidable obstacles encountered, as had been the case for Natalie (female, 19, unemployed, Coventry) who had tried to make herself more 'employable' by undertaking unpaid work experience, traineeships and agency work, all without success:

"It feels like you want to get a job, but then, when you're not getting called for interviews or you're not getting through interviews, it just ... plays you on the back of your mind, like 'Am I really good enough?' and then it makes you feel worthless and things, just makes you feel down".

Many respondents also spoke of Jobcentres encouraging them to use private employment agencies – discussed in more detail below. Some responded to this positively, but for others this was confirmation that Jobcentre staff are primarily concerned with getting them to apply for any jobs going, rather than providing more bespoke advice and counselling. Jobcentre staff also referred some participants to external agencies specialising in one-to-one employment and training support, and, again, their experiences of these were variable. Some participants valued this advice and support as leading to meaningful opportunities, however there was little consistency in the timing of these referrals. External support might be recommended almost immediately after initial contact with the Jobcentre, but it might also be suggested many months later by which time loss of confidence, stress and anxiety had already often taken hold.

Participation in unpaid work

Participation in unpaid work was viewed as a way to become more 'employable', including unpaid training and work trials, voluntary work and more-

or-less structured periods of work experience. Most participants had undertaken short-term work experience while at school or college, although schools' involvement in this was variable, ranging from *laissez faire* to structured partnerships with employers. Some had also taken up work placements as advised by their Jobcentre, or as a requirement of training courses delivered by external agencies⁴. While all were unpaid, placements varied in duration, quality and sector, with hospitality, retail, health and care the most common. Like the graduates, some also reported proactively seeking unpaid work experience.

Unpaid work was taken up for a variety of reasons, although the desire to accumulate experience dominated. That said, there was a clear division between those who understood the importance of gaining experience and had early opportunities that were proactively followed, for instance by doing voluntary work, and those with limited opportunities, or who only realised the importance of work experience much later. How and when participants come to recognize the value of work experience seems to be partly a function of the information given at school or college and their social and familial networks. As discussed in Section Two, the employer case studies confirm that 'work experience' features prominently in their selection criteria when recruiting young people into entry level jobs, and that employers' primary concern is the quality of this rather than whether or not it was paid:

"When we do the shortlisting, any voluntarily experience just gets marked just the same as whether it's paid. But it's then also the quality of that experience ... You know, somebody who'd worked in a charity shop and said 'I worked on the till every Saturday for three months doing my Duke of Edinburgh award' or something like that, you think well that's a good commitment. You know, that shows a reliability, that's good. They've worked a till, they've handled cash, that's responsibility. You're trying to pull out the things that you can link back to your own job here and you'd probably rate, you know, the customer service interaction, what you're looking for is the customer service".
(Hospitality employer)

Perceived benefits of participating in unpaid work

The importance of work experience was felt to lie primarily in the opportunity to develop new skills. These could be hard skills like customer service, administration, and food preparation, and/or soft skills such as communication, team working and time-keeping. Participants felt that getting skills

like these would not only strengthen CVs, but could help with their confidence and self-esteem. These positive effects were particularly marked among some who had experienced long-term or recurrent spells of unemployment. Charlie (male, 21, unemployed, Leicester) who described his confidence as falling "down to my feet" following a sustained period of unemployment, was not alone in the new sense of optimism he attributed to completion of a 4-week work placement within the NHS:

"... .cause you got valued as an employee, you got treated like one of their own, it was like a family and after four weeks I did not want to leave that role, it felt amazing".

However, positive experiences like this were closely tied to the quality of the work experience. Placements of more uncertain quality were most evident in short-term assignments, often undertaken while still in education, which ranged from well-structured programmes involving a range of organisational roles and functions, through to those described as "horrible" or "exploitative". The experience of Lucas (male, 18, maintenance technician apprentice, Birmingham), who completed a 1-week placement with an automotive manufacturing company (where he later took up an apprenticeship), highlights the potential benefits of the former:

"It gave me that ... urge to want to work here, because ... it gave me an insight in what was happening in here. Like I went to logistics, I went to metrology and calibration, I went to [department name] where they take the engines apart, I went to the engine test room: they sort of gave me all the exciting bits and the bits around the company that I want to move into and ... there's potential jobs after the apprenticeship. So it really did... give me an urge to do it".

In contrast, we heard of plenty of placements offering few perceived benefits, which at their worst were regarded as exploitative. While we were told of positive examples, mandatory placements organised by Jobcentres left most feeling that they were little more than a source of free labour, undertaking the same tasks and working hours as other workers but without being paid. Michael (male, 21, unemployed, Leicester), who recalled feeling "humiliated" by his treatment during a mandatory 4-week placement within a large discount retail chain told us that he viewed any complaint to the Jobcentre as futile: "they just wanted to know if I attended or not, and if I finished it. That's all they were concerned with."

4 Unlike in the case of the graduate sample, where much unpaid work experience was provided directly by employers.

Young people's experiences of apprenticeships

Analysis of data on young people's experiences of apprenticeships is still on-going. Early findings indicate that apprenticeships constitute a valuable route into the labour market for some young people, who value the opportunity to earn and learn while simultaneously building up work experience in a specific field. It is evident, however, that the quality of apprenticeships young people are able to access varies considerably. For those who had been able to access good quality apprenticeship programmes, often within public sector organisations or with large employers, completion of an apprenticeship could lead into paid employment, although not necessarily permanent jobs. Individuals based in such organisations, who had not yet finished but were close to completing their training, valued the ability to avail of specific resources within the workplace when job searching, including information about internal vacancies, practical support provided by

colleagues and tutors, and access to contacts within their networks. Kirstin, who was coming towards the end of a Level 2 apprenticeship within the health sector told us:

"... when I'm applying for these jobs, I am working in the best place at the moment 'cause all the tutors here, they help students get into work and apply for vacancies that come up on NHS Jobs, ...so I am applying pretty much every day if I can, ... online... When a vacancy comes out I just ask them [tutors] if they can quickly help me apply for it, 'cause I work with them in the office... and ... they book me mock interviews with them... do an interview with me ... and ... tell me what I need to improve on."
(Kirstin, 20, Birmingham, Level 2 apprenticeship in Administration)

Terry - Gaining access to a good quality apprenticeship scheme

Terry from Birmingham did an apprenticeship in a prestigious accounting firm directly after leaving school. He knew from an early age that he wished to become an accountant, a key influence being his uncle who was an accountant and in a lucrative job. His parents also influenced his decision making, encouraging him to get into work and gain work experience as quickly as he could, rather than going to university.

He also had access to good quality information and guidance at school, an elite independent school which provided career events for students. He was able to study A-level accounting there and the school had close links with the accountancy firm where he is now employed. To his knowledge, a few of the school's students are accepted each year into the firm's apprenticeship scheme. When his accountancy tutor told him about the apprenticeship scheme, he applied straight away, as did several of his peers. He was delighted to be offered a place on the scheme, and believed that having completed a week's work experience in an accountancy firm was significant to his selection.

Terry enjoyed his apprenticeship, which required participants to get professional work experience during the training, in order to qualify as a chartered accountant. For him, this was a much better option than doing an accountancy degree which would not provide the same opportunities for accumulating relevant work experience prior to graduating.

Unfortunately, there were also examples of poor quality provision including programmes which did not provide opportunities for on-the-job experience, or where individuals were deprived of the opportunity to complete their training for various reasons, such as the

host employer organisation ceasing to trade. Unlike the examples cited earlier, some young people also felt unsupported as they approached the completion of their training, thereafter struggling to find suitable employment, as illustrated by Iqbal's experience overleaf.

Iqbal - apprenticeship training as a stepping stone into precarious work

Iqbal is 21 and lives in Leicester. When leaving college, he was uncertain about his next steps, and after considering university he decided on an IT apprenticeship delivered by a private training academy. His hopes of finding work afterwards were frustrated however, and having been told that 95% of the apprentices completing his programme would get work in IT, he suspected that in reality only a handful found work. Iqbal's suspicions are more than plausible, since his training academy - one the largest beneficiaries of public apprenticeship funding - recently attracted criticism for its poor quality provision.

Nonetheless, he enjoyed his apprenticeship and felt it gave him new IT skills. He also hoped that it would strengthen his position as a job-seeker. However, it took him several months to find paid work, something he attributed to a lack of help from the Jobcentre and the difficult economic conditions. Despite his varied interests and active lifestyle, including martial arts and voluntary work, the consequences of looking for work without success for several months led to depression when, he said, he began to find it hard to leave his house.

He did find work after eight months of unemployment, when the Jobcentre found him a temporary, part-time administrative post in the public sector. This was not what he wanted to do, but he considered himself lucky and appreciated the opportunity to earn a wage and gain experience. He was also convinced that his years of voluntary work teaching martial arts to children helped enormously in his selection for the post, in a Children's Centre. His skills gained during the IT apprenticeship were also, in his view, a contributing factor.

Once employed, Iqbal gained access to the organisation's internal vacancies and got a wide range of training and opportunities to develop his on-the-job experience. After an initial 6 months in administration, he moved into a temporary post that was finance related. At the time of interview, he was again weighing up whether or not to apply for university or to move outside of Leicester in search of sustainable work in finance.

Some young people did not consider apprenticeship training as an option at all, either due to financial constraints, a general lack of knowledge about them, or negative perceptions such as low pay/long hours or the idea that apprenticeships are most suited to individuals who are less academically able or inclined. Misunderstandings and negative perceptions were not always dispelled by those providing guidance and information, as Chira (who initially disregarded an apprenticeship as an option), described:

I remember when I was job seeking and my advisor at the Jobcentre said 'oh, you don't want, I don't blame you for not wanting to do an apprenticeship' because that was back when I didn't know what one was, or what it would entail or what I would get out from it, and all I kept thinking was 'oh, it's not very good money and it's a full-time job' and then the advisor was like 'yeah, yeah, I don't see why you should have to do that'. (Chira, female, 22, administrator, fixed term employment in public sector organisation, accessed following completion of apprenticeship, Birmingham)

Use of employment agencies

Our findings also highlight participants' extensive use of private employment agencies as a way into paid work. As one respondent told us: "I could say I've

used, like, all of them. I've got an [online] account with them all" (Ella, 18, female, further education student in health and social care, Leicester). Agencies are recommended by friends, family or the Jobcentre, and the use of online services are particularly popular: "so simple, so quick ... now I'm thinking that's the only way to get employment for now" (Aqueel, 18, male, unemployed, attending employability course delivered by national charity, Leicester). Danielle (21, female, unemployed, Coventry) summarised the views of many: "you can apply for 10 jobs in the time that it would take you to handwrite one application form".

This positive evaluation overlaid a more complex assessment, however. Others pointed to the downsides to online agencies and the effort involved in maintaining (many different) accounts that ultimately seem to offer only limited opportunities. Agencies also did not seem to take seriously their qualifications, experience and preferences by responding with tailored work opportunities. "They always ring me up with something like selling work, selling work isn't me", said Charlie (21, male, unemployed, Leicester). Frequent contacts and "constant emails" (Sean, 19, male, unemployed, Coventry) could become 'spam' and "getting loads of emails, like 'Come and apply for this job'; you apply for it and hear nothing" (Chloe, 17, female, further education student in health and social care, Leicester) eroded commitment and encouraged cynicism. This might also be seen as proof that some agencies "falsified" their vacancies by using prominent adverts, "that are not actually jobs [but are used] to encourage the right people to come in" (Diane, 21,

female, permanent employment within public sector organisation, accessed following completion of paid work placement, Leicester). Participants also felt agencies inflated their vacancies: *“half the time you’re applying for the same job, 10 times over ... so, you might think like, ah, yeah, I’ve applied for 10 jobs [but] you’ve probably [only] applied for one”* (Danielle, 21, female, unemployed, Coventry).

For some, agencies had nevertheless been a useful way into paid work: *“...a good way to get a quick job. I never came across a job where you just got it on the spot like that”* (James, 20, male, temporary assistant estate management officer within public sector organisation, accessed following completion of apprenticeship, Leicester). Agencies could also remove the need for a (full) interview, something many participants appreciated. Such opportunities further provided one way to overcome the perception that they are *“young and inexperienced”* (Bless, 18, female, part-time customer service assistant in supermarket and zero hours work in hospitality, Birmingham), the chance *“[for employers to] have more knowledge about what I’m doing”* (Sophie, 18, female, unemployed, Coventry).

These stepping-stone functions should not be overstated and agencies were more commonly judged to be unreliable. Agencies were often felt to *“mess you about. One minute work can be there, then work can maybe disappear”* (Charlie, 21, male, unemployed, Leicester). Agencies also seemed incapable of overcoming longer-term barriers to work arising from their relatively young age and we were often told that, *“Agencies don’t help you if you’re under 18 ... they say ‘Well, we’ve got no work that you’re able to do’”* (Katherine, 18, female, monitoring and controls auditor in energy company, permanent post, accessed following completion of customer service apprenticeship, Coventry). Agencies’ claimed flexibility also seemed more limited, like when participants tried to combine paid work with education and training: *“The jobs that come up ... were either too far [away] or I needed to be available for more hours of the day”* (Aafa, 18, female, on gap year prior to starting university, Birmingham); or overcoming their limited mobility: *“I get loads of emails as well about them, it’s like I get them all the time, like, oh yeah, ‘This job matches your areas. Coventry’. Yeah, yeah, course I live in Coventry! And yet, you know, I live in the middle of Leicester!”* (Ella, 18, female, social care student, Leicester).

Nevertheless, a few participants had found lasting employment through an agency. Teddy (23, male, agency worker within public sector organisation, Birmingham), for instance, had worked one or two days a week for a railway maintenance contractor for 18 months, but *“It was a zero-hours contract, so it wasn’t my cup of tea in the end. I did, I did want more secure hours from the start”*. Evelyn (19, female, apprentice within public sector organisation, accessed following completion of work experience placement, Coventry), too, had been offered full-time employment in the care home where she had been

employed as an agency worker. But examples of this were rare and there was considerable scepticism about the value of agencies’ as a way into suitable sustained employment, like when Katherine (18, female, permanent employment, Coventry) told us: *“[employment agencies] promise all this stuff and it’s actually nothing they’ve explained to you. You’re thinking, this is gonna be a great job. You go for it and obviously, they’ve already had the commission, so you’re stuck in a job you don’t want”*.

This view of agencies as self-serving was more widely shared and we frequently heard agency workers described in terms of *“an investment”* (Duhart, 19, male, university student, Birmingham), where an *“agency would eat that couple of pound [i.e. the difference between what the agency received and what workers were paid per hour] ... you’re making them, like, £4 every hour”*. It was equally common to hear agencies described as *“a scam”* (Aidan, male, 18, university student Birmingham), where they *“are more bothered about the money [they generate] and paying the employee less”* (James, male, 20, temporary employment, Leicester). As Diane explained: *“Agencies do not offer a secure contract, so you can do three months’ work and then they’ll get rid of you and then pay the same price for somebody else for three months”* (21, female, permanent employment, Leicester).

Zero hours contracts

The extensive use of private employment agencies in part explains why many participants had worked on zero-hours contracts. Zero-hours working was common where, as Barbara (24, female, imaging department assistant, permanent post in public sector organisation, Birmingham) explained, *“You think that this is how work is, and everybody else that’s working with you is in the same boat and you think that this is normal”*. In describing this ‘normality’, participants recalled examples of zero-hours working in call centres, door-to-door and tele-sales, local government, factory work, fast food outlets, hotels, bars and restaurants, hospitality and entertainment, gyms and fitness centres, warehouse and distribution work and working on the railways.

If zero-hours working was widespread among participants, our documenting of this is also most likely an under-representation, since some participants had not heard of zero-hours contracts despite describing jobs seemingly fitting the description. Others spoke of having suspicions that they were working on zero-hours contracts but could not be sure, or had applied for jobs unknowingly: *“In the job description [waiting tables for an events company] it did not say that it was a zero-hour contract, otherwise I wouldn’t have applied for it”* (Sophie, 18, female, unemployed, Coventry).

Stacey - trying to escape the insecurity of zero hours work

Stacey, 22 and lives in Birmingham. She has been determined to find full-time fulfilling employment since leaving school at 16, but has been restricted to part-time and zero hours working. Poor careers advice at school led her to begin a college hairdressing course but it did not interest her and she dropped out shortly before it ended. Since her final year in secondary school, she had worked part-time at the same chain store that employed her mother. On leaving her hairdressing course she was offered a few more hours there, but this job ended abruptly when the chain went into administration.

Newly unemployed, Stacey walked shop-to-shop handing out her CV and searching for work online, but avoiding employment agencies because of their bad reputation among her acquaintances. She managed to get some interviews, eventually finding work in a clothing chain store on a zero hours contract, but she found that the long journey to work and uncertain hours made it unviable, so she left to sign on as unemployed; an experience that she hated. Reluctantly, she then turned to online employment agencies and after three months searching found housekeeping work and then waiting tables in a large hotel. This too was a zero hours contract, although she worked eight hours every day and never less than five days per week. She found this work unsatisfying, but her request to move to reception work was unsuccessful. She consequently left the hotel for a sales job in a clothes shop, but this too was zero hours and the promise of more hours than the 20 she worked each week never materialised, so this too quickly proved unviable.

Out of necessity Stacey returned to waitressing work in the same hotel, again on a zero hours basis. When we last met her, she was still working weekends waitressing in the hotel but determined to improve her prospects and she had been accepted on to an apprenticeship run by a voluntary sector organisation to train as a receptionist.

Others were clear about their zero-hour status and for some this was considered both inevitable and acceptable at their stage of life. Here zero-hours working could be regarded as an opportunity to combine learning with earning in the same way described by the graduates. As Simone (24, female, zero hours waitressing work, Birmingham) explained, *"I did [know it was zero-hours] but at the time you think, oh, zero-hour, that's fine, 'cos I'm still studying anyway, I'm in full-time education so a zero-hour contract that works perfectly for me ... a bit of extra cash"*. Zero-hours working was also seen by such students as a way to accumulate work experience: *"you pick up skills that you never had, you're always learning something"* (Katherine, 18, female, permanent employment, Coventry).

As well as valuable work experience, working on zero-hours contracts might provide predictable employment. Stacey (22, female, customer service apprentice, Birmingham), for instance, had worked 40 hours a week for 12 months housekeeping at a high-end hotel. Abdar (19, male, unemployed, Birmingham) told us, *"I did get lucky for a year ... with a decent amount of hours [i.e. 40] each week as a supermarket security guard"*. For these participants, zero-hour contracts had provided relatively structured and predictable work, with the regular (online) posting of shifts in advance, or clearly rostered patterns of working.

Experiences like these seemed uncommon, however, and zero-hours working was more usually described as *"having] to wait there by the phone, constantly"* for work to be allocated (Teddy, 23, male, agency worker, Birmingham). Zero-hours work that had been

predictable might also become less stable, like when Abdar's (19, male, now university student, Birmingham) permanent supermarket site was replaced by 'relief cover' allocated on the "phone the day before". Yet, turning down requests to work might risk antagonising an employer or other repercussions, like being allocated less (favourable) hours or days, which Danielle (21, female, unemployed, Coventry) felt explained why she *"never had a weekend off - because nobody wanted to do that"*.

This unease touched on the more general sense of insecurity that zero-hours contracts could produce. Matthew had learned to his cost that, *"They can sack you off, whenever"* (23, male, social worker, full-time employment, Coventry). Incapacitation or sickness might also prove costly, like when taking a week off with morning sickness, Barbara (24, female, permanent employment, Birmingham) had phoned in for her shifts and found that she was no longer on the rota: *"... and then I called the next week and I wasn't on the rota. I never spoke to them again ... they must have got wind that I was pregnant"*. Following an accident at work Danielle (21, female, unemployed, Coventry) was told that she would not receive sick pay because, *"you're on a zero-hours contract, so theoretically we could just say you worked no hours that week"*.

Zero-hours work thus offered limited opportunities to those seeking a bridge to more substantial and secure employment. As Aafa (18, female, gap year, Birmingham) told us, *"It wasn't what I wanted but because there were no other options I stuck with it"*. Sustaining such work in the short-term seemed feasible, but most judged this not possible in the longer-term. For those like Lisa (19, female, full-time

job in safeguarding within public sector organisation, Coventry) who had tried to live independently, zero-hours working raised profound difficulties: *"...it's not as bad when you're living at home, but when you've got bills to pay, it's a right nightmare"*. After working on and off on the same zero-hours contract for a hospitality company since leaving school at age 16, Simone (24, female, zero hours work, Birmingham) reflected that *"You become older, you need more money [but] the unpredictability is difficult to deal with. I'm still on a zero-hours contract after working 7 years ... there's that point when you think I'm alright, but then the period slows down and it becomes very difficult"*.

Conclusion

Participants who left education not intending to go into higher education raised a number of key issues with us. These included the absence of well-structured and supportive advice before leaving, along with counselling that was consistent, well-paced and of high quality. The absence of meaningful advice was further compounded by the experiences of those using Jobcentres. While the careers advice provided by some individual advisors and teachers was much appreciated, there appeared significant variation in its quality and timing. One thing that almost all participants appreciated, was the value of gaining work experience. Almost all had undertaken unpaid work experience at school, but again there were significant differences in the quality of this provision, both between and within different institutions. This did not stop many participants seeking further unpaid work experience after, or in combination with, further study and training. At its best, this work experience could provide a structured introduction to a variety of tasks and responsibilities. At worst, it seems many were little more than a source of free labour.

Participants' attempts to make themselves more 'employable' also extended to the use of private employment agencies. Indeed, one of our key findings is how agencies have become a 'normal' feature of the post-education landscape for young people. Participants appreciated the simplicity, ease and efficiency of online services in particular, but against these were extensive concerns about the ability of agencies to meet their specific needs or to provide sustainable sources of work. Agencies were also felt far less flexible than claimed and not especially effective in helping young people overcome longer-term barriers to work. The use of agencies also takes place against a backdrop of considerable suspicion, one in which agencies' commercial imperatives override their willingness and ability to provide routes into longer-term work. To these concerns can be added reservations about the prevalence of working on zero-hours contracts. Once again, this seemed widespread and some participants appreciated the flexibility that this offered, where work could be combined with education and other commitments. However, this flexibility was often judged to flow one way, where it was the workers who were required to be ever-ready. Participants felt that these demands might be accommodated during their early working lives, but did not provide sustainable ways of working.

4. Graduates' early career experience

To investigate opportunities available to young graduates and the extent to which precarious work had been part of their early career experience, we had a valuable source: the Futuretrack longitudinal survey that had tracked young people who had applied to enter higher education in 2005/6 from the point at which they had submitted their application until winter 2011/12⁵. We identified 1,700 who had been living in the Midlands when they applied to enter higher education (HE), had studied there, or were working in the Midlands when they were last surveyed, who had reported experience of work experience or precarious employment and had indicated that they could be re-contacted. We progressively sampled them, skewing the sample towards those who had been Midlands domiciled and had experience of working in the Midlands, to achieve a sample of 100 respondents that is reasonably representative of the diversity of subjects studied, types of universities and undergraduate courses completed⁶, and invited members to participate in a telephone interview.

These young people could scarcely have entered the labour market at a more difficult time, even for those with impressive educational achievements in Science, Technology, Engineering and Maths (STEM) subjects for which employers normally complain about skills shortages. Harit commented: *"There was a lot of lay-offs in the pharm industry and the chemical industry, so although I'd done a chemistry degree, there wasn't any jobs to apply for after university. I think from my degree I know of only about five people out of a hundred that have got a job in the pharm industry or related to their degree"*.

Access to information and guidance

In the Futuretrack survey data, we had found uneven access to information and guidance provided to the graduates prior to making their HE applications, with socio-economic background and the kinds of schools they had attended key variables in determining the quality of guidance to which they had access, but it was clear that most graduates *had* had access to high quality careers advice at university, whether or not they had taken advantage of it. Nicola (Law degree, now academic education manager at professional institute) confessed

"I did go to the careers service, and I listened to the talks that came in from the relevant people at the criminology department, but I was so focused on getting my First, I just didn't look past it. ... and before I knew it, it was September and there wasn't an abundance of vacancies and I wasn't really sure where to look".

There were, though, many examples where graduates described the very positive impact of their university

careers advisory services.

"They were really helpful. I did my CV to what I thought was right and they had a look at it and were able to kind of just tweak it a little bit. Also, [after graduation]..my first graduate interview was the worst interview I have ever had and I didn't get that job, The first question the interviewer asked me was 'How did you prepare for this job interview?' and my mind just went completely blank, 'cause I was so nervous, but the irony is, I'd arranged to go and see the department a week before my interview to find out about the department, learn you know, see what's going on, who works there, what they expect, and I could have said 'Actually I came to see you last week', but my mind went so blank... and... it just got worse. So, I went back to the careers service, I told them about this so they set up mock interviews... and thankfully every job I applied for since, they've offered me the job". (Shamira, Degree in Audiology, now working as senior NHS Audiologist)

Not all university careers services are able to offer such initial support as Shamira was able to access, as is clear from other accounts. Her case also draws attention to the importance of proactivity and persistence in pursuit of career development. Because of cuts in the National Health Service (NHS), jobs such as those sought by Shamira have been in short supply, and initially keen to remain in the Midlands, she showed remarkable enterprise and tenacity by undertaking a series of temporary and locum posts that required commutes of up to four hours per day, ranging from Shrewsbury to Bedford, where she completed successfully for temporary posts that had attracted 50 or more applicants.

Voluntary work and unpaid work experience

Most of the graduates had been aware of the importance of building a record of work experience for their CV. Prior to university, several of those who had a clear idea of the vocational path they wished to follow had done relevant voluntary work. As a 16-year old, Scott, who went on to do a degree in Nursing, was a volunteer with the St John's Ambulance Brigade, which he continued throughout his studies, progressively gaining more mentoring, training and

⁵ See www.warwick.ac.uk/futuretrack for full details of this project.

⁶ 39 were male and 61 female; 63 came from professional or managerial, 18 intermediate and 18 routine or manual backgrounds; 65 had entered HE when they were 18 or under, 32 when they were 19 or 20 and 3 slightly older. Full details of the sample will be provided in the final report.

team leadership experience. This put him in good stead for both his initially-chosen career and in facilitating his move into IT Training as he became disenchanted with the realities of few opportunities to progress in nursing beyond his entry grade. David, who had opted for Pharmacy, did unpaid work experience in the local pharmacy run by his friend's dad, which he believed had helped in successfully obtaining initially unpaid, then paid work experience once he became a student. A substantial number of the respondents had done both volunteering and temporary paid work at their universities, as student ambassadors and assisting with academic administration or laboratory work.

Mike (Economics and a Modern Language, now Senior Underwriter in Accountancy firm) had done voluntary

work after university working part time for charities. One of these jobs involved working with unemployed 16-24 year-olds to help them apply for work, meeting up with them regularly, helping with CV-writing. He said: "... just in terms of learning a lot more about yourself and about where, you know, your strengths lie....I was mentoring other people but they were teaching me a lot ... about influencing people and how I can use my ideas to help other people out, which effectively is something that you do in the workplace as well: it's just a different situation".

Jessica's account shows how, with confidence and clear objectives, it is sometimes possible to persuade employers to provide such opportunities.

Jessica - creating opportunities through volunteering

Jessica completed a BSc in Biological Sciences at a Midlands university, followed by an MA in science communication at a university in another region. During her first year of university, she realised that her interest lay in science communication and persuaded her university's press office to do unpaid work experience in the summer. After three weeks, they offered her a temporary job as press office assistant. Later, having joined the local branch of British Science Association, she proactively sought and arranged a month unpaid placement at a regional zoo, and through the Association, also ended up coordinating a major science festival which was paid for three months.

She continued to volunteer at the zoo throughout her postgraduate course and after graduation, she was offered a seasonal Education Officer job. Almost simultaneously, a team member resigned and then she got a permanent job.

While working there, she completed a teaching qualification part time, because her job involved teaching. In addition, she set up a formal volunteering scheme and she reported that 50% of the people she employed during being at the zoo had previously been volunteers, successful because they had had inside knowledge of what the organisation was looking for. Reflecting back, she said:

"I think...I wouldn't have gotten the job without having done volunteering work for them [...] At that time, that job was essentially created for me [...], it was known that I was available ...and available on short notice, so they went for it for that year, rather than waiting until they could offer a proper six month contract the following year",

She had been working as an education officer at a zoo since she graduated (for 5 years) where she had progressed to Team Leader role. There was no further potential for progression so she looked for other jobs and she is currently working as a biology lecturer at a college. She focuses on the local labour market because her husband and family are local, so this restricts job opportunities in relation to jobs related to education and biology.

The complexity of unpaid work experience, paid work experience and internships

It is difficult to classify student and graduate work experience into paid and unpaid work, and to separate internships from other forms of paid and unpaid work placements. Graduates described work experience, paid and unpaid, ranging from less than a month to nearly 12-month sandwich year employment, as internships. At best, many sandwich year placements and competitively-accessed graduate summer internships, for example, paid generous salaries that allowed the students concerned to live reasonably well and travel for part of their work experience year. Such

experiences often included training and mentoring and led directly to 'graduate jobs' or to the ability to access these soon after graduation, where it was clear in some cases that this work experience superseded final grades in importance. Tom (Computer Science, Senior Consultant, Project Management) reported that during his sandwich year placement, the graduate intern recruiter said "Have you thought about doing a summer internship as well?" and without having to go through the full application process, "It was more a few informal chats over coffee before I was offered it".

We found many such examples and of sandwich and internship students being encouraged to apply for jobs

after graduation, which echoes the accounts given by the employers in Section 2. Vernon's account of his successive work experiences illustrates the combined

effects of such access, the cumulative effect of unpaid leading to paid opportunities, and the capacity for proactivity engendered by social confidence.

Vernon's work experiences -proactivity and access to networks

(Degree in Psychology, Midlands University, now Advertising Project Manager)

"I've actually had three different internships that were all unpaid or expenses only, over the course of being a student. When I was in sixth form, I had a family friend that had an advertising firm in the Midlands, so I just went and did a couple of weeks with them just kind of learning how to write advertising briefs and finding out about the industry... ..So after that, in 2009, I had another friend who had contacts in an advertising firm that was based in London, so I offered to go down again for another two weeks. It was completely unpaid, there were no expenses or anything [but] I [wanted to work there], because some of the clients that they had, and find out a bit about their agency, so I went down to London. Thankfully I had a friend who had an apartment there so I stayed with them. And that was entirely self-funded to go down there, do my own travel and things and work on some of the work they were doing down there".

[Interviewer:" When you say self-funded, your parents presumably helped you with this, did they?"]

"Yes, so they helped me with some of the expenses and some of it I paid for myself...[.].. so later in 2009 I went and worked in a PR agency in London for a month and that actually came through [my] University. They sent an email round to say this PR firm would be looking for any graduates that would be willing to go to London for a month and work with them, almost a graduate scheme, but there was no guarantee of a job at the end of it or anything like that. So I applied for that, sent my CV, said why I would be interested in it, and ended up getting that position, so again went down to London for a month and worked for this PR firm down there.

[My current organisation] was one I particularly wanted to work at, so I went to them directly. I emailed them and said I'd be willing to come in, just do some non-paid work experience when I got back and would they be interested in having me? I just emailed them my CV, a bit about my background and why I was interested in advertising and what I was offering, so I could come in, I was happy to do anything for that two-week work experience period...and they got back to me and said 'Yes. Would you be available on these dates? We could use the help on one of our projects'. A couple of days before I finished my placement, the team that I was working within just said 'Do you want to stay for longer? We've got a position that we'd like to offer you..' ..and they said asked me if I wanted to carry on and come back the following week, as an employee.."

It is worth illustrating in detail the impact of access, or lack of it, to socially-advantageous networks, in being able to take advantage of unpaid work opportunities. Rex's explanation of how he got his first period of unpaid work exemplifies the advantage of coming from a supportive and well-informed social background:

"The honest answer is I wrote [to the organisation where he wanted to get a summer placement] and they ignored me, so then my dad happened to be at a conference where one of the members of the board was speaking and he went up to them and complained that they'd ignored my email [...].. and so the guy... asked for the email to be sent again, to him - and then he forwarded it on in the organisation and then someone said 'Okay I've got something this guy can do'".

(Rex, Midlands University, degree in International Relations with a Modern language and subsequently, completed a postgraduate degree in European Public Policy at a London university)

This first placement was an unpaid two-month internship in a London-based overseas development Think Tank, which led to a year-long overseas placement in the country whose language he was specializing as part of his Bachelor degree, a further six-month unpaid internship in the same country and when he returned to the UK, the think tank where he did his internship offered part time employment. His subsequent high-flying international career reflects his abilities, but also the socio-economic advantages that have enabled him to access opportunities.

Conversely, a clear example of the restrictions imposed by lack of ability to draw on financial support from family is provided by Becky, another a very able student at a similar university:

"Whilst [at university] I became increasingly aware that someone from my background doesn't have as many opportunities, even when you get into a Russell Group university, as someone from a rich family, because the kind of internships that get you into the big business, they were unpaid... I couldn't find any private sector internships that I could apply for because I couldn't afford them. [...] I'd like to have tried something in advertising and something in publishing just, you know, 'cause that's sort of the main areas that an English degree can lead to".
(Becky, degree in English, now secondary school teacher in the Midlands)

Becky is happy in her chosen career and did a Master's degree at a Midlands university part-time, explaining "I would do Monday to Friday at full-time work at school and then Saturday I would go and do my Masters work at the university". Her ability and determination may be exceptional, but her experience of restricted options is far from unusual. Most of the graduates we interviewed had found it necessary to obtain paid employment soon after graduation and had also had to do so during university vacations and in more than half of cases, terms, throughout their degrees.

The value of work experience

Inequality of access to many career opportunities is an equal opportunities issue, because there is no doubt that most work experience facilitates access to employment. Employers are often demonised in media discussions about young people's early experiences of work. Recent examples include stories of fashion interns struggling to get a foot in the door, or of runners in TV production being exploited and abused: for example, the recently-reported significant rise in the number of unpaid internships in the fashion, arts and media sectors with evidence of under-reporting of the actual numbers of unpaid internships in these sectors. Only the children of the comfortably-off can afford to undertake such internships. Earlier in 2011 the British edition of Vogue, one of the fashion industry's professional journals, reported HMRC sending cautionary letters to 102 fashion houses for the non-payment of the national minimum wage for paid internships⁷ and the Guardian report in 2017 suggests little has changed⁸.

The picture we have is somewhat different. The graduates provided examples of how it had led directly to employment in some cases, provided evidence and references to support applications for jobs, and how both undergraduate placements and work experience after graduation had helped to clarify what they wanted to do in the future. Julie (Media and

Communications degree, now working in sponsorship and operations for regional radio station) said:

"..It galvanised the fact that I definitely wanted to work in creative and radio advertising. What I definitely didn't want to do was to become a commercial radio producer. ...I think it helped me I realise I want to be a writer...to be more innovative..[not] stifled by brand.."

Similarly, Delilah's case, in a very different sector, shows the value of work experience and of being able to use opportunities as stepping stones towards the kind of job she wants. Almost all reports of course or career-related work experience were positive. Alex (Media film production degree, broadcasting operator, currently working freelance) described how his work history started with a two-week work experience at a TV football channel that had been accessed through family contacts. After that, he was invited to work occasionally during his studies at this channel, got involved with a facilities company that collaborated with the channel and then developed a number of contacts and networks with various companies. Although at the beginning he was scarcely paid enough to cover his costs, he carried on working to develop his experience and getting involved *"and it paid off because at the end of my university course I walked straight into a job with them"*. He is, though, working in a sector that was generally reported as requiring substantial unpaid or very low paid work experience prior to accessing often fixed-term or temporary 'gig economy' employment, as Lucy's account shows.

Use of local Jobcentres

Like the non-graduates, the majority of the graduates who used the Jobcentre reported demoralising experiences where they found themselves being under pressure to apply for jobs that they perceived to be inappropriate. Tarun (degree in Sports Science followed by masters in Sports Science, now employed as Brand Finance Analyst with [a large national Food production company) told us that he had "signed on" for about 6 months but lost his unemployment benefit:

"The woman...said to me 'You should apply for this job' - and it was like, a waiter job, and I was like 'Okay, that's fine', and the following week she said 'Did you apply for this job?', and [I hadn't] because I was waiting for IBM at this point, and she just said 'Well, I told you to apply for this job...you breached your contract... therefore we're not going to pay you any money'... so then I came off the Jobcentre for that reason".

When Shereen (degree in Youth and Community Studies and PGCE, working currently as a social worker) was unemployed, she decided to sign on but *"They kept saying to me things like 'Just because you've got a degree it doesn't mean that you have to just look for teaching*

7 Alexander, E.(2011) 'Fashion Fairness' Vogue 8 December 2011 (available at <http://www.vogue.co.uk/article/hmrc-warns-against-intern-exploitation>)

8 'Poorer Graduates Struggle for Jobs as Unpaid Internships Soar', *The Guardian*, 15th April.

Lucy - philosophical about the challenge of building a career in the gig economy

Lucy graduated in 2009 with a 2.1 in Broadcasting Production from a prestigious specialist London college, but despite considerable paid work experience since her early teens, she could not access employment relevant to her degree. Although she tried to get jobs outside broadcasting “just to try and support myself and stay in London to increase my chances of getting industry work”, she ultimately returned home, where she found temporary administrative and English language teaching jobs. In 2010 she was awarded an internship with Women in Film and Television which was mainly administrative and events, but gave her the opportunity to meet others working in the industry, where she “was offered plenty of unpaid ‘experience’ which I could not afford to do”. She was forced to revert to temping, while proactively following up career opportunities where possible.

In 2011 a European-funded (Leonardo) placement in Ireland reignited her interest in working within film and gave her a much needed confidence boost, leading to an impressive freelancing career, where her CV lists examples of producing and executing video and audio services for clients including National Trust, Capcom and Nintendo, as well as Midlands based production companies.

However, in 2013, due to family illness, she willingly returned home as a carer, and was unable to dedicate much time to freelance work. She nevertheless got a job one day a week working for a national organization running a film club for the homeless community and somewhat to her surprise, found that this work really suited her and she enjoyed it. When full-time caring duties were no longer required, another part-time job came up; to run dementia-friendly film screenings and set up community cinemas in the Black Country “and these are the jobs I have to this day”.

She said “I feel I was quite lucky that these positions came up [but] I should add that both jobs are on a contractual basis and so I do not know that in 6 months I will have a job. Both jobs could really require full-time hours [but I recognize that] employers have no choice but to offer part-time jobs because of the economic situation they are in themselves. ..As somebody who tries to be optimistic, I see the plus-side - that I have work and indeed, work that I enjoy with people I respect. I recognise that to some extent this is the nature of the industry I work in, but ..from friends and peers that this seems to be the culture of many positions of employment”. She considers herself that “very lucky to have the current jobs that I do and that I am also lucky to have a supportive family [so] that I do not need to worry about not having a roof over my head (at the moment)”.

Delilah - finding out what she wanted to do via work experience

Delilah studied Archeology at a Midlands University. During her course she had done five different periods of voluntary work in the Arts and Heritage industries, including working for the National Trust as part of a team that delivered an education programme to school groups and escorted groups round their national properties. Despite this experience, and a student placement at in a large regional museum and art gallery, along with paid catering and shop work, she had found it difficult to find work relevant to her degree studies. Six months after graduating, she got a job as Client Manager for a Business Services organisation, which, although it required her to train others and take substantial responsibility for data management and security, paid badly and was not particularly engaging or challenging.

“At that point I was ..very unhappy....and through my mum’s connections [she worked in the Heritage industry]- the head of [a] museum, actually, offered me [an] unpaid internship and by that point I had saved up some money so I said ‘Anything is better than my current job!’”

After 3 months her savings ran out, so she had to return home, but

“That experience taught me that I want to be more involved with people,...I’m not the kind of person that wants to conserve artefacts or things like that, I’m more a person who wants to work with people and do interesting things, maybe some sort of training or teaching. [...] I appreciated that I was given the opportunity to do it but I realised that although I enjoyed it, it wasn’t something that I wanted to do long-term”.

Two years after graduation, she obtained a job as Assistant Administrator for a UK-based European public sector organisation providing research, consulting, programme management and communications services to public, private and civil society organisations, and was quickly promoted to an Assistant Project Manager job, which involves promotional work, public speaking at external events, financial management, customer service, administration, archiving and research. She hopes to use this experience to transfer to a similar post in an area more relevant to her degree subject.

jobs' [...] And I was just like.. 'Well I've got two degrees. If I go back people are gonna be questioning me why am I doing teaching assistant. Is it because of a problem with my practice why I can't get a teaching job?'

Shereen's experience was reminiscent of the accounts given by many of the non-graduate respondents as she described the confusion of balancing Jobcentre attendance while doing agency zero hours work, where she was not sure whether she would have work the next day, while trying to obtain a permanent job very stressful. Charlotte (with a degree in Historical and Philosophical Studies, plus an MA in European Studies, now freelance proof-reader) complained about the overlaps and complexities of the universal job match website, which compounded rather than alleviated the difficulties faced by young jobseekers, saying

"it's got all of the job sites {names several} aggregated, and because some of them list certain jobs in duplicate because through different agencies, it ends up [with] the same job gets listed 14 times and I've heard that people have been told to apply to the same job 14 times".⁹

She concluded that she was earning "just enough" from proofreading work obtained through agencies,

"and if you earn a certain amount they take that amount minus £5 off your benefits, don't they, so it's not really worth jumping through Jobcentre hoops for 35 hours a week when I could be spending that time working [freelance] or.. towards the projects I'm currently hoping might pay off down the road".

Employment through recruitment agencies

Like the non-graduates, graduates used a range of agencies spanning general High Street and online agencies (such as Reed and Monster) to more specialist agencies related to specific sectors and/or occupations, particularly in IT, finance, translation, paralegal and environmental areas, and for public sector temporary work - mainly in education and healthcare.

General agencies

General agencies had been used enthusiastically by a very high proportion of the graduates since holiday-job-seeking prior to university, as students seeking part-time employment, and as graduates, particularly during transitions: soon after graduation, before going travelling, between degrees, between 'career jobs'. Stella, with a degree in economics, said she had enjoyed doing office and receptionist work through local agency offering office temporary jobs, because

there was variety; she was getting paid, was exposed to different systems, did 'cold calling' and learned computer skills that were subsequently useful to her.

Online agencies or job sites such as Reed and Monster were very often used but they were often regarded cynically, as by the non-graduate respondents, widely recognized by the graduates as competitively advertising the same job as one another, as substantiated by Harit's account.

They had nonetheless been used successfully by some respondents. Tarun cited above with reference to his Jobcentre experience, used online job sites like *Monster* and *Reed* which were suggested by both his university Careers Office and Jobcentre, and also used *efinancial*, a specialized financial consultant analyst site. After his Masters' degree, he had worked in low-skilled, low-paid work "And all this time I'd been applying for jobs like I must have sent like a thousand, maybe about 1500, applications off," before getting a job in the Brewing industry as a Financial Analyst, based in a town that required him to commute "but I took it anyway and it was a really good job, good pay, good career prospects". After doing that for two years, he successfully applied for his current job, slightly closer to home, found through *Monster/Reed*, commenting that he had applied for a job on a Sunday and then three people rang on Monday from three different agencies with the same job.

Specialist agencies

Specialist agencies were commented on significantly more positively by graduates because they could provide relevant work experience (even 'on demand', zero hour contracts) that could be cited in subsequent job applications. Clarissa, working as a freelance translator, used agencies a great deal, where she would have to do translation tests and where references from clients were required. While these agencies "charge at least twice what they pay you" she said "they take away a lot of the project management work negotiating with the client, that kind of thing, which if you're not particularly interested in doing it, it's worth the money really". She also described how by building reputation with the agencies then she is able to negotiate higher rates and move towards working with translation agencies specialising in specific subject areas which pay a little bit more (e.g. translating for pharmaceuticals clients pays more than translating for tourism ones). Jane, a Law graduate, had found a job as paralegal through emails to legal recruitment agencies.

Paula, who had studied Maths and Psychology, found her first job as an energy analyst through a graduate recruitment agency where she uploaded her CV, commented "I don't think I would ever have found the Energy sector job on my own, because I wouldn't have been looking for it because I wouldn't have known what to look for, so I got lucky that I stumbled into a role that

⁹ Tarun's account in the section below substantiates this.

Harit - an erratic route to graduate employment, where persistence paid off

Harit graduated from a Midlands University in Chemistry in 2010. He progressed directly to a Master's degree in Strategy and International Business at another in the region as a result of conclusions he had reached during his sandwich year placement in [the company's] product development department, which he had enjoyed.

"The people working around me, all had either they had a doctorate in their technical field or some sort of business qualifications..... With that department you looked at technical aspects as well as commercial aspects, so ..if you have both of them then you're a bit more aware of what was happening in the country, you're a bit more able to talk to customers correctly [as well as explain] the technical aspects [so that they can] understand why they need it in term so of commercial aspects, so, so that's what inspired me to do it".

After his Master's degree, he found a project co-ordination job at a local energy industry establishment, which he heard about from his friend's sister. The company's policy was to employ temporary agency workers and if the appointment was successful, given them a company contract after six months, so he registered with the agency, sent his CV through, and was quickly selected for interview and "given the job on the spot". He attributed this to his friend's recommendation as well as his qualifications and previous experience of office work. It wasn't a graduate job but the company did have graduate roles, so he stayed for about a year and a bit, but left when no internal progress opportunities materialised, because his focus was on getting a job that used his degree subject knowledge in the industry. After this, he was unemployed for over six months, although working in the family a business, then found a job as Quality Control Analyst with a Pharmaceutical Industry in Northern Ireland, subsequently progressing to a supervisory role. He had been working with that company for two and a half years at the time of the interview.

fitted my skill set". Luke (degree in Maths and Physics, now working in Software engineering programming), put his CV on his website, a specialist software agency saw it, explored his potential interest in a job placement they were seeking to fill on the phone, and organized interview with the client company. Joe (who had studied Geography) had found an environmental job through a specialist recruitment agency website "because 'I [knew that I] would have much more success and wanted to do a job that was related to what I'd been studying."

There was mixed feedback on agencies operating on the public/private boundaries in nursing, teaching and education, where most opportunities available were for 'on demand' work such as nursing bank work and temporary cover in schools and colleges. Graduates welcomed the easy access to such work through the agencies during periods of transition (particularly in the early years after graduation) mainly to acquire relevant work experience and/or for supplementary income, but they were not seen by most respondents with experience of them as a desirable means of job seeking or working in the longer term. Sally, with a degree in Primary Education, was aware that the school where her mum worked used a specific agency, so she registered, had a couple of supply teaching jobs through them, but soon was contacted directly by the school, although she continued to complete timesheets and be paid through the agency. She was registered and worked thus for about a year and she considered that it had been very beneficial in terms of building up experience and references leading to a permanent job. Wendy (with a Psychology degree and postgraduate diploma in mental health Nursing, working in early mental health intervention in the NHS) used agency and 'bank' work as a 'back-up", commenting that it works well if you want to use it for some overtime, but "I wouldn't ever want

to rely on it as my only source of income, it's just not reliable enough".

Zero hours contracts

Zero hour contacts more often led on to more secure conditions of employment for graduates than for the on-graduate job-seekers. Cathie, an experienced Physiotherapy graduate moving to another region, responded to an NHS jobs advertisement and was initially offered temporary 'bank' zero hours contract, with the assurance that there would be full-time hours, so she "took a bit of a risk" leaving a permanent contract in Birmingham, and was made permanent within four months and was promoted to the next level quite quickly. Lloyd, with a degree in Outdoor Leadership and Management, had initially obtained a highly-suitable job in sports club management, but when the operation closed down, he worked in hotel management jobs overseas to get different experience, returned to a period of unemployment in the UK, then accepted a part-time job in a national Leisure industry retail outlet, "about 20 hours a week if that, 16 hours a week maybe". After six months, he was offered a different role on a 40-hour contract, and had subsequently been able to apply internally for his current Head Office job, as Group Sales Co-ordinator for a National Leisure industry retail company. A degree was not a requirement for this job and he did not regard it as a graduate job but believed that his degree knowledge had helped him get it, "as well as work experience within the industry, bit of background knowledge about the products and being an end user".

Self-employment

One of our more unexpected findings has been the incidence of self-employed respondents and others

aspiring to become self-employed in the future. Does this reflect growing entrepreneurialism among young people or is it a response to a shortfall in employment opportunities? We found different ranges of push/pull drivers according to subject area and industry sector, which are discussed fully in a forthcoming paper¹⁰, but we draw some preliminary general conclusions here. We *did* find a small number of examples of self-employment that seemed more like freelancing while essentially unable to find suitable employment, but most of those currently self-employed had opted to do so willingly, apart from some of those in healthcare and teaching who had opted for 'bank' or agency work in order to escape employment conditions and requirements which they had found stressful, to be able to concentrate on the core of their vocations of nursing or teaching.

The development of Information and Communication Technologies (ICT) is probably the most important single explanatory variable for the increased interest in self-employment for the majority of among graduates. Based on the respondents' accounts, ICT advances have affected individuals in considering, aspiring, establishing and maintaining self-employment in the following ways: the feasibility of working effectively independently, flexible work locations, access to data, information, potential advisory sources, relatively low start-up costs and potentially high visibility, and ease of access to potential customers and clients. This is a recent and unprecedented change of the context in which young people enter the labour market that has developed very rapidly, especially over the last five years.

The power of social media for accessing valuable business information and for building networks with potential clients and accessing information was reported by many accounts. Amanda (degree in Creative Arts and Design, self-employed) said "... *it's making contacts [and] there's a lot of information on Twitter at the moment about the new European VAT changes that are coming in next month, so many people don't know about things like that, but Twitter is brilliant for networking, if you're self-employed and in business. It's a case of using what platform's appropriate for the business or the line you want to work in*". Remy, with a degree in Design Studies (currently Senior Designer for Menswear Manufacturer with experience of self-employment prior to his current secure employment) planned to remain in employment until he felt that he had learned enough technically and in terms of management, but begin to market his own designs on the internet part-time, prior to returning full-time to freelance work. He explained "*You've got all these platforms where you can sell your clothes...ASOS, The Marketplace,...and you've got Etsy.com and eBay, where you can showcase your stuff*".

The account of Grace, a graduate with a degree in Mechanical Engineering, (currently employed as test engineer by large automotive company) was typical of several working in manufacturing, reporting that

"Especially with the economic downturn in 2008, and [the subsequent expansion of a major manufacturer who], started taking on thousands of engineers, employers like [the company where she currently works] couldn't employ permanent members of staff fast enough, so they started employing contractors instead, so a good proportion of people who work at [named company] are contractors".

There were a number of entrepreneurial respondents (mainly with interdisciplinary rather than more narrowly specialist academic or vocational degrees) who had tried or planned to set up their own businesses, create something new, felt inspired and confident to do it, not necessarily drawing on their substantive degree studies but using the transferable skills they had acquired in the course of higher education; the Geology graduate who is now an educational blogger and describes herself as 'A Social Entrepreneur'; the Philosophy graduate (now returned to a fixed term research post) who started and ran a community café and art gallery with her friend to provide serves in a disadvantaged area which lacked community resources; the Sports Science and Biology graduate who spent time as a self-employed nutritionist and while now back in employment as a manager and adviser in a private clinic, aspires to become self-employed again in the future. One of the most impressive respondents was a graduate in Biological Sciences with a Master's degree in Nutrition who had created his own full-time job by persuading a potential employer to extend his 50% Nutritionist role they required into a Community Officer role where he would promote the interests of the organization (a professional football club) in schools and the community.

Conclusion

The graduate interviews revealed a polarised pattern, where the same issues as those raised by the non-graduate respondents were raised: the importance of access to information, guidance and counselling, the significance of temporary and zero hours agency work, the value of work experience. However, most of the graduates had and continued to have access to excellent guidance and advice, although it is clear that some universities and colleges have very effective relationships with potential employers and working partnerships with them in course design and provision of work experience opportunities, while others were reported to have provided no (or negligible) guidance or support.

We found evidence of highly-competitive grad job markets in both specialist and more general managerial and professional occupations, so that applying for jobs for many graduates had been a very demoralising experience, since employers now rarely acknowledge unsuccessful applications. Few provide feedback unless asked, and when this was requested, often provided brief and not very useful responses. We also find evidence of increasing requirement for specialization and probably credential

10 Self-employment among graduates: a new flexibility? (C. Tzanakou and K. Purcell, forthcoming)

inflation, with many students reporting the need for additional postgraduate qualifications to access shortlists for aspired-to jobs, and inequality of access to postgraduate courses reported by those who were unable to be paid for or heavily subsidised by families. Many seeking to remain in the Midlands had found it necessary to undertake substantial commutes and serial temporary work to appropriate, sustainable employment.

Apart from some of the sandwich and structured placements organised by specific courses, the examples and vignettes cited show five key variables: many graduates demonstrated impressive proactivity in approaching employers; paid internships almost always were offered to individuals with prior unpaid work experience; social and educational advantage opened doors to such experience through confidence in taking initiatives, or through parents' professional and personal contacts and networks; access to both unpaid and paid course-related work experience, apart from those organised as an integral part of sandwich courses, had almost always been mediated by mentor or personal contacts; and work experience had been crucial, in most cases, to gain employment, even in non-graduate jobs.

Specialist agencies were reported as increasingly useful in some sectors (notably IT, Finance, Marketing) and best practice examples offered aptitude testing and careers guidance advisory services that helped candidates to identify strengths and weaknesses and drew their attention to range of opportunities previously not considered. General agencies, for those confined to their use long-term, most often led, as with the non-graduates, to access to temporary and zero-hours jobs and to 'underemployment' that rarely led directly to better opportunities.

5. Changing frameworks: from the 1930s to the present day

Policies to facilitate transitions from education to employment are rarely viewed in historical perspective, although such an approach helps us analyse how the issue was (and is) understood, which in turn shapes both how it is measured and policies adopted to address it. To establish a framework for the more detailed research findings in the studies of current labour market experiences reported by young people and employers, we examine changing labour markets and policy frameworks within which the transitions from school to work take place, focusing on earlier periods when the supply of young people to the labour market exceeded demand. Primarily, this has meant analysing how youth unemployment has been interpreted as a 'problem', the categories created by this interpretation, how different categories were addressed in policy terms and the impact changing delivery systems have exerted on young people's transitions from education to employment.

Key questions are:

- ▶ How was youth unemployment constructed as a policy problem in different time periods?
- ▶ How has this shaped the ways in which young people are classified and treated?
- ▶ What agencies have been involved in delivering services and support for young people to help them access employment and with what consequences?

Facilitating transitions from education to employment: the elimination (and return) of intermittent work

From the late nineteenth century, social investigation had drawn official attention to the problems created by 'casual' labour. Casual work was considered to be undesirable because it made earnings unpredictable and fostered social dependency. Irregular income translated into poverty, 'demoralisation' (loss of capacity to hold down a regular job – or the desire to try), ill health and thence social degeneration. 'Casuals' burdened the local community (due to their reliance on locally funded assistance) and the industries they served (being unreliable, expensive and inefficient). The earliest social reforms sought to expel casuals from the labour market. Local education authorities were empowered to oversee the transition between education and work – to prevent boys moving into casual trades.

This concern re-emerged in the 1930s. The unemployed from areas of industrial recession drifted to the more prosperous Midlands where local authorities suspected that some claimants for public relief were supplementing their incomes with casual work on the side. The official view remained that a sound industrial economy depended on boys being

trained to take up lifelong employment in a specified trade – not to work in one of the multiple 'blind alley' juvenile jobs (van boy, messenger boy and so on), to be cast out at the age of 16 or 18 to form the next generation of 'casuals'. While 'standard' employment contracts only became universal after World War II, policy in the Midlands cities consistently motivated employment that involved regular working weeks.

This trajectory contrasts strongly with today's assumptions, a legacy of the drive for a 'flexible' labour market, that any work for any employer, paid or unpaid, casual or otherwise, forms part of an employability agenda of 'job readiness' and work experience necessary for a future working life. Similarly, the notion that public assistance should never supplement earnings has all but disappeared, although policies such as Universal Credit aim to encourage benefit claimants to seek higher paid work and/or increase their hours to minimise recourse to benefits. Today, rising self-employment on short-term contracts means work is constructed in networks, not hierarchies. In sectors of the 'gig' economy, workers can neither control the work they get nor the income they receive. We witness the reappearance of the casual employment that blighted major commercial centres over a century ago. Earlier policy-makers aimed to remove irregular work to reduce burdens on the public purse, a lesson now forgotten.

The shift from manufacturing to more service-based employment has encouraged politicians to redefine desirable outcomes when formulating policy for unemployed youth and, in consequence, they have fostered the re-emergence of casualism. Since the early 1980s, the norm of moving directly from school to a job has receded while the changing nature of labour demand has had profound consequences for young people's employment opportunities. Moreover, the geography of so-called 'opportunity structures' varies by area: reporting on interviews with employers in 1978-9, Ashton *et al.* (1982)¹¹ found 'tremendous regional disparities in opportunities for young people and channels of recruitment' between Sunderland (an area with a relatively slack labour market), Leicester (taken as an example of the 'average') and St Albans (an area with a tight labour market).

National classifications and fractured employment

The advent of unemployment benefits in the early twentieth century endowed the 'unemployed' with a national identity, over-riding the multiple ways

11 Ashton D., Maguire M. and Garland V. (1982) *Youth in the Labour Market*, Research Report No. 34, London: Department for Employment.

different trades and industries managed falling demand. By the 1930s, national definitions shaped categories of claimant and their treatment, including the young unemployed, although the emphasis on learning a trade that would secure a lifetime's regular work was much more firmly rooted then than now. Locally elected education authorities lost any influence over school leavers' employment futures early in that decade as Juvenile Instruction Centres, appointed by a central government department, took over the institutional treatment of the young unemployed, creating a uniformity of treatment and the central determination of curriculum and attendance requirements in the process. This split any link between the training offered to unemployed boys and the local economy (although, in Birmingham's case, the association lingered).

The drive for uniformity and growing central control over labour market discipline and practices at the expense of locally controlled educational influences drove a wedge between education and employment that, arguably, had unfortunate consequences for transfers between school and work ever since. It has reduced responsiveness to local economic circumstance and removed any impediment to the drive to homogenise and micro-manage the treatment of unemployed youth. One might argue that, in recent years, greater central control over educational practices has served precisely the same ends, to the detriment of local accountability.

Since the late 1970s, the European Union has encouraged more local partnership working, not least in the sphere of youth unemployment. In the UK, classifications and treatments have remained national. However, the training and placement of unemployed school leavers has been transferred increasingly to private agencies that compete for government contracts and are required to achieve specified targets if funding streams are to be sustained. Advocates of market competition argue that such competitive processes guarantee value for money and raise efficiency. Our research shows how it promotes confusion and disrupts continuities to the detriment of the client group (see *Box 1*).

National statistical appraisals have had a long shelf life. Categories have become more detailed (by age, gender, educational attainment) and NEETs have been added, yet the criteria identifying how clients are classified remain uniform even as labour markets fracture and the policy objectives become increasingly opaque. The term 'unemployed' no longer covers the unwaged intern or the young person on a zero hours contract / in work experience / on a student job placement - even though none guarantee the chance to earn a living. Transitions from one status (category) listed above to another are not captured in the statistics. What are policy-makers trying to achieve - over and above savings in social benefits and apparently reduced levels of youth unemployment? This question is serious as, without some vision of

Box 1 Delivering youth services: market competition and the voluntary sector in Coventry

The rise of the voluntary sector in public service delivery aims to combine experience of young people with efficient resource allocation through market competition for contracts. Case study research shows how the multiplication of funders with varied specifications, growing competition between voluntary agencies and the complexities of team building - all exacerbate costs and diminish clarity. Voluntary Action Coventry, the local infrastructure organisation, has over 80 members of the 117 charities in Coventry. The case study organisation where we conducted interviews is one of the oldest and best established of these.

Young people's problems are multiple and ongoing. Project funding is short-term and commonly addresses only one issue. Charities face choices between survival and doing useful work

"We face real difficult choices when deciding which funding we should apply for as we are very aware that failing to meet contractual obligations in the conventional sense can be organisational suicide. But equally our service users have complex needs so the funding has to allow for us to do genuine work". (CEO of Coventry voluntary sector case study organisation)

Recession has reduced sources of charitable funding, so competition grows

"Due to there now being more competition we have a more aggressive approach. ... There is less funding but more organisations wanting it". (Operations Manager)

Prioritising targets leads to tensions in team-based contracts:

Some partnering organisations will work with young people that actually meet our criteria best, but the work goes towards meeting their organisational targets. This can often be frustrating as it is not necessarily in the best interest of the individual service user. ... it is apparent in any service level agreement any organisation has pressures to fulfil their own contractual obligations first (Senior Youth & Community worker - emphasis added)

labour market futures, unqualified young people risk returning to the fate suffered by fringe casual workers before 1914.

Classifying the young unemployed: historical experience in the Midlands

In the 1930s different treatments distinguished a tripartite division of claimants. Those with an established record of social insurance contributions could claim state benefits 'as of right'. Men's contributory requirements were loosened in 1931 as married women's claims became more severely constrained. Below this category were men 'normally in insurable employment' who had exhausted their benefit rights whose claims to national unemployment assistance were subject to a household means-test. Below them in official opprobrium came the able bodied with no record of employment in an insurable trade who, with the mentally disabled, alcoholics, vagrant and infirm, came under the local public assistance committee. As the term 'guardian' suggests, this group were deemed incapable of self-support and were treated like errant children or putative criminals.

Classifying the young unemployed along similar lines was problematic. Many had no chance of establishing a contributory record to justify a benefit claim as those under 16 were not covered by the insurance scheme. Issues of age as well as benefit rights further clouded the status of the young. Then, as now, questions were raised about the problem of giving the young unemployed benefit rights when those who elected to stay at school because there were no jobs got no state help at all.

The purpose of the JIC (see Box 2) was to guarantee work discipline, sustain physical fitness and prevent 'demoralisation'. Classes were not supposed to

replace vocational training courses offered in local colleges, but to reinforce the status of 'boys and girls' as children in need of adult guidance and control. After the age of 18, classifications appropriate to adult claimants were applied. Those who reached that age in the early 1930s would have had difficulty securing work, thanks to the depth of the depression. They thus would have experienced more difficulty proving they were 'normally' in insurable employment and therefore more liable to come before public assistance committees to be subject to poor law discipline.

As benefits for claimants under 21 were very low, moving in search of work was problematic because rents in more prosperous districts were expensive (see Box 3). In the major cities of the Midlands, the Slump was neither so prolonged nor as severe as elsewhere. Birmingham, Coventry and Leicester attracted migrants seeking work. Thanks to their status as relatively prosperous areas, training for local young unemployed boys was generous in Birmingham - and requirements on girls were light (see Box 2). Contrarily, the tradition of strict discipline continued to characterise the treatment of all able-bodied claimants for public assistance and we might assume that many of these would be unattached young men from the depressed areas who came to the city in search of work.

Conclusion

Viewed in historical perspective, transitions from education to employment have changed profoundly. Labour market change has been fundamental: the decline of permanent work contracts has had a profound impact in the Midlands where such employment - especially in manufacturing - was so well established by the middle years of the twentieth century. The advent of 'flexible' employment risks

Box 2 Birmingham and the young unemployed in the 1930s:

Birmingham enforced attendance at Junior Instruction Centres (JIC) for unemployed school leavers (14-16) and 16-18 year olds as a condition of benefit receipt. Here discipline combined with training boys in relevant industrial skills.

The practical work of the School has included woodwork, handwork in brass, tin-smithing, gauge making, electrical work, general property repairs, general motor repairs, mechanism of the internal combustion engine and boot repairs. ... Science lessons on metallurgy were given with direct reference to the industries of Birmingham, and as the majority of the boys had been connected with the metal trades, they showed very keen interest

Girls' attendance was designed to keep them off the streets, perhaps to discourage other ways of earning a living:

'... girls asked if they might bring to the school some special work in which they were interested. Dressmaking, Needlework, Embroidery and various handicrafts were especially popular. Cooking was a favourite subject. Commercial work, Household accounts, Hygiene Civics and Nature Study made less general appeal to the majority of the girls. Physical Training was not very popular except for ... swimming. For young people (16-21) who suffered long-term unemployment, Birmingham authorities distinguished 'deserving' youth who had worked at some point since leaving school and the 'undeserving' rest, whose unemployment might be due to insufficient personal effort.

Box 3 Moving in search of work: youth mobility in 1930s Midlands

Research reveals the case of engineering firms in Leicester trying to recruit young unemployed from South Wales for apprenticeships. The idea fell flat. First, Welsh local education authorities were unwilling to identify the brightest recruits as the Leicester firms required. Second, the Ministry of Labour refused outright to countenance the establishment of hostel accommodation at public expense – and neither apprenticeship wages nor youth benefits could cover the expense of lodgings.

Birmingham's comparative prosperity also attracted the young unemployed from elsewhere, moving in search of work. For those under 21, benefits were too low for rented accommodation. Forced to resort to local public assistance, their reception was not friendly. Birmingham's Public Assistance Committee argued that residents of Common Lodging Houses (where many ended up) refused regular employment and therefore the PAC refused to supply assistance to their residents ... young men who make no attempt to get regular work: if they can obtain a weekly allowance from some source they are content to be dependent upon that allowance and to supplement it by such small sums as they can obtain for casual work or for casual services rendered.

Casual employment supplemented by public funds was unacceptable.

reviving the casual labour markets found in Britain's major commercial centres before 1914. Then as now, those with networks and skills enjoy the liberty to pick and choose between jobs on offer. The unqualified, in contrast, live a hand-to-mouth existence, unable to save, vulnerable to debt and are in danger of forming a permanent clientele for public assistance. Then as now, poverty creates sickness (both mental and physical) and sickness poverty, reinforcing cycles of deprivation and social degeneration. Without adequate resources and realistic timescales, the involvement of voluntary agencies in delivering highly specified placement targets does not allow more complex needs found among the young unemployed to be addressed. The social and economic consequences of casual working stimulated the first national labour market reforms before 1914. Yet this is the type of employment that is now being actively encouraged by work activation programmes for the young people entering employment today.

6. Drawing our findings together

From the accounts of both employers and young job-seekers, we find evidence of clear polarisation of employment and career development opportunities. Those with solid educational or vocational backgrounds, with the knowledge and confidence to seek out career opportunities and convince employers of their potential value contrast markedly with job-seekers who enter low-skilled, low-paid jobs, very often on short-term contracts, offering temporary and/or zero hours work and with few opportunities for progression. The former often gain access to career opportunities and social integration, in secure occupations with good conditions of employment with career development, and their interests likely to be defended by trades unions or professional associations. The latter look set to lead into precarious and unpredictable working lives with poor prospects.

As far as young people are concerned, the current labour market in the Midlands is a buyers' market, despite employer reports of difficulties in finding suitable candidates to fill some vacancies. The picture is not altogether bleak. We found many respondents, particularly those who had higher education qualifications, were enthusiastic about opportunities in industries such as media and engineering. Nevertheless, we identify a shortfall in sustainable entry-level jobs for young graduates, school and college-leavers, with those with good educational and vocational qualifications at an advantage compared to those who, for reasons outlined in this report, have been unable to develop their potential and acquire marketable skills, thus lacking the confidence to identify and pursue opportunities and to present themselves to employers as 'work-ready'.

Lack of adequate advice and guidance as school students was a theme that ran through many of the graduate and virtually all of the non-graduate respondents' accounts. This was also noted by the employers. Those who *had* had access to excellent careers guidance and came from families who were able to help and advise them, and sometimes open doors to opportunities, were at an enormous advantage. Our evidence leaves no doubt that achievement and attitudes are related to earlier social and educational advantages and disadvantages; the family and community support and the quality of education; and careers guidance to which they had access.

We spoke to graduates who had been able to build their career profiles by commuting widely within the Midlands and beyond while still living there, and those who had moved to obtain employment in other areas, clearly seeing themselves in a national and in some cases international labour market. Those with few marketable skills most often saw themselves as

confined to their local labour market, where the time and costs associated with travelling across their city to work in insecure and low-paid work made but short distance travel infeasible.

We found that work experience, especially voluntary work, prior to entry to paid work is pretty much a prerequisite for all but the lowest-skilled, lowest paid jobs - and even there, those who had work experience were more likely to have been recruited. Those who had had paid work experience and internships were generally enthusiastic about its value to them personally and professionally, and the majority of those who had done unpaid work experience, with the exception of some who had experienced mandatory work experience as a condition of receiving unemployment benefits, also regarded it as having been beneficial to them, enabling them to gain skills and experience that led to career opportunities. We found little evidence of employers exploiting graduates and using them as free labour to do routine work, but some experiences were definitely more valuable than others and provided more direct routes to paid work. Good quality unpaid placements are limited in supply, because many employers tell us that although they are beneficial to them in terms of screening for potential recruits etc they are also resource intensive. The main problem though, is that unpaid work experience, especially for many of the most attractive occupations for graduates and non-graduates alike, is rarely accessible to those without family support.

While it is easy to understand why employers in the voluntary sector and other areas dependent on public sector funding or subsidies, such as in the arts and heritage industries, find it difficult to offer payment to volunteers and those seeking work experience, it is less clear why others, such as legal profession employers, and the more lucrative areas of media and business services, such as public relations and advertising, cannot cover the living costs of young people willing to work for them in order to gain experience and knowledge that will advantage them in their future job-seeking efforts.

A strong finding, though, is the commitment and persistence of the majority of the young people we spoke to, to obtain work, training and educational qualifications, however difficult their job-seeking experiences had been. The impact of proactivity and persistence invariably paid off in approaching employers for work experience and even employment in some cases. But having insider knowledge, mentors or contacts who could mediate on their behalf or advise them *how* to approach organisations and *who* to make contact with, was disconcertingly often part of the explanation for successful access to opportunities.

These were not always personal contacts. From the graduates' accounts, it was clear that some universities, departments within them and their careers advisory services had been able to develop excellent partnerships with employers and were able to provide first-rate opportunities to their students, particularly those running sandwich degree courses. Among the school and college leavers, we also heard about the crucial impact of teachers, lecturers, careers advisers, Jobcentre staff and public sector employers who had taken an interest in their welfare and provided advice, information and encouragement that had inspired them and opened doors: but in the case of the non-graduates, provision of such positive experiences seemed to reflect luck rather than being an essential component of their preparation for the labour market.

Employers spoke about how the economic constraints they faced led them to seek to maximise labour flexibility in their use of agencies and zero-hours contracts. Some participants appreciated the flexibility that this offered to them, where work could be combined with education and other commitments, but this flexibility was often judged to flow one way, where it was the workers who were required to be ever-ready. Many of the young people were resigned to this way of working, which they saw as inevitable, and tolerant of these demands during their early working lives, but most recognised that it did not provide sustainable ways of working.

Recruitment and labour supply agencies have become part of the labour market establishment and partnerships with agencies were valued by several of the employers we studied and seen as a normal source of employment, whether career-related or temporary, by most of the young people. At their best, they do an excellent job for clients and job-seekers, many providing advice, guidance and skills development that goes beyond simple filling of vacancies and matching of jobs to applicants – but in a crowded marketplace, many were reported to be inefficient and more interested in quick turnover than taking considered account of their clients' needs or in helping the more challenging applicants to recognise and meet employability standards.

Jobcentres, faced with limited resources, scarcely used by employers for core jobs, inescapably working alongside commercial agencies, faced huge challenges in attempting to meet financial and performance targets. The Third Sector appeared to be the only stakeholder group exhibiting a strong commitment to working with the young people who most needed help, information and guidance in the transition from education to work, but their own ability to operate is dependent upon success in fund-raising, largely from public sources, to support their activities.

Unfortunately, there is another aspect of increasing 'gig economy' patterns of employment: the impact on state revenues. Government drives the minimum wage up in an attempt to keep tax credits down and boost individual earnings for the low paid. Higher hourly earnings attracts more marginal workers to take on a zero-hours commitment, possibly creating a situation where a given volume of work is shared by more people working fewer hours. While national income and employment may rise, the earnings of some could be reduced, together with tax receipts. Put simply, one person on £16,000k pays base rate income tax on £5,000k plus National Insurance Contributions (NICs). If registered as self-employed, that person can write off all sorts of expenditure, pay no tax and reduced rate NIC. Two people on £8,000k pay no tax and only just pay NICs. Thus, a wider sharing of available work and the characterization of this work as 'self-employment', or on zero-hours contracts as employees, leads to reduced tax revenues even though the number of people recorded as being in work has risen.

Many of the problems encountered by young job-seekers derive from the sub-division of work. Even the most progressive and ethical employers we interviewed perceived themselves as constrained by market forces, often with little alternative but to concentrate their training and staff development investment on their core staff and control additional labour costs as tightly as possible, without consideration of the wider social impact and future costs to the community. Most of our findings in relation to employment flexibility, positive and negative, were recognised and discussed in detail in the Taylor Report¹². The research findings presented here document the situation for young labour market entrants where we find a significant proportion confined to the least acceptable options offered by 'the gig economy'.

12 Department for Business, Energy and Industrial Strategy (2017) *Good Work: The Taylor Review of Modern Working Practices* (see https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/627671/good-work-taylor-review-modern-working-practices-rg.pdf)

