

Evidence Paper

Evidence on adult career guidance and its role in skills development

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1 Introduction

In an ever-challenging and complex labour market, adults need support to transition into, within and through the labour market. Economic crises, technological change, the pandemic and the war in Europe have transformed national and international labour markets and the types and quality of available jobs. Policy has shifted to address new priorities to manage the impact of these events and changes. Within the labour market, these changes have resulted in greater demands from employers for skilled workers and workers able to adapt to future changes. Workers anticipate needing to upskill, reskill and adapt to new roles more than ever.¹ Research estimates that 80% of the current workforce will still be in the workforce in 2030 and reskilling them will be a major challenge.² It is also suggested that the UK skills mismatch will continue to get worse.³ The pandemic has amplified this mismatch as the shift to digitalisation has accelerated across all sectors. Individuals, however, need support in understanding the skills required in the current labour market, as well as support in gaining and maintaining the skills needed to remain in the labour market and to meet future employer demands. There is much evidence on the importance of reskilling and upskilling to be able to adapt to change.⁴ The need for career guidance to support individuals with their skills development and help manage labour market changes, make informed labour market decisions and be resilient in their transitions across the life course remains an essential part of the skills system.⁵

This paper reviews existing international evidence on career guidance to examine the role it plays in skills development, considers what extended career support for adults could look like and gives policy recommendations.

2 Overview

In England, there are a number of policies in place to support the skills system, but a well-connected and established system with career guidance support for adults, particularly those in work, is lacking. A system of lifelong guidance supporting all across their life course is absent and arguably needed to support those in work to remain employable and those out of work to gain employment. A more coherent and holistic system delivered and coordinated at a local level is needed, but measures need to be put in place to ensure it is resourced over the longer term, made accessible to all and consistent across the country. International evidence highlights how other countries are achieving this through legislation, strategic leadership, coordination, collaboration and professional standards.

The labour market is complex and changing at a rapid rate, so adults need to be more resilient and adaptable than ever before. The pandemic has accelerated the need for employees to upskill and reskill mainly as a result of the shift to digitalisation across all sectors. A system of lifelong guidance which supports individuals (whether in education or work, or out of work) across the life course would be well-placed to support individuals with learning and work decisions linked with the skilling, upskilling and reskilling demands of the labour market.

¹ Cedefop, European Commission, ETF, ICCDPP, ILO, OECD, & UNESCO (2020a). *Career guidance policy and practice in the pandemic: results of a joint international survey – June to August 2020*. Luxembourg: Publications Office of the European Union.

² Industrial Strategy Council (2019). *UK Skills Mismatch in 2030* (Research paper). London.

³ Ibid.

⁴ Hogarth, T. (2019). *Skills for the labour market: EU policies for VET and upskilling*. Brussels: European Parliament Briefing EMPL Committee.

⁵ Barnes, S-A. (2018). Career services filling the gap: Reconciling labour market mismatches. In: Hogarth, T. (ed). *Economy, employment and skills: European, regional and global perspectives in an age of uncertainty*. Italy: Quaderni Fondazione Giacomo Brodolini Studi E Ricerche (pp. 195-208).

Employers have an increasingly important role to play supporting employees in this system which is both beneficial to the individual and employer. Employer engagement in career guidance also supports the wider economy in terms of addressing labour supply.

There is overwhelming evidence on the benefits of career guidance and what constitutes good guidance. The economic, educational and social outcomes of career guidance for adults are evident particularly over the longer-term with benefits accruing over time for the individual, employer and the wider economy. Essential to good career guidance is labour market information and intelligence, but information on occupational skills and sectors is lacking and needed for those adults (particularly those in work) looking to upskill, reskill and transfer their skills.

Adult career guidance services should be the foundation of a skills system working with employers. This would not only help with understanding the (local) labour market but, when engaging with services, help those involved understand the skills they need and what future demand might look like.

3 Policy recommendations

- The Government (working across departmental and other public bodies) should provide a transparent and stable career guidance system through legislation, strategic leadership, and better coordination and collaboration between stakeholders (i.e., local government, employers, education and training providers, public and private employment services, National Careers Service) that supports both those unemployed and those in work to explore career options, return to education, reskill and upskill, and gain sustainable work.
- There should be greater public investment in a system of lifelong guidance with a particular focus on supporting those adults in employment ensuring that they understand available job, education and career opportunities, but can also access support to make informed work and learning decisions across their life course.
- The Unit for Future Skills at the Department for Education should invest further in labour market information and data particularly at a sectoral level to improve intelligence for those developing and providing services to support adults looking to upskill, reskill and transfer their skills. Investment should also be focused on occupations classification and skills taxonomies used to collect data, which would enable better linking of data.
- A strategy and guidance on how employers can provide support and opportunities for employees with their career development whether this about developing skills or re-engaging with learning should be developed. This could be developed through a collaboration with employer bodies and associations supported by, for example, the Career Development Institute (CDI) and the Chartered Institute of Personnel and Development (CIPD).
- The Government should encourage and support employers to invest in careers support and development for employees to ensure a skilled and adaptable workforce which would benefit the individual, the employer and the economy. By supporting employers with the career development of their workforce, there is the potential to start thinking about how skills can be maximised and linked to good jobs.
- There needs to be a clear agreement on what 'good' careers guidance looks like for adults so that services can be developed and expanded ensuring that adults needs are met and they are supported throughout their life course.

4 Background: Current policy and engagement with careers

In response to fast-changing labour markets, demands for new skills and shifting government priorities, new guidance and policies relating to careers support for employment transitions and skills development have been implemented over the last few years.

In 2017, the Department for Education published its *Careers Strategy*,⁶ which established a plan to improve career guidance for people of all ages in England by 2020. A number of measures were aimed at improving careers education, information, advice and guidance for young people, including the introduction of new benchmarks for careers education, an investment fund for disadvantaged pupils, personal guidance, support for graduates and a named Careers Leader in every school and college. For adults, it was recognised that as working lives extend and new skills are required in a fast-changing labour market, career guidance support is needed to help with the changes, labour market transitions and skills improvements. The National Careers Service and local Jobcentre Plus advisers were seen to be the main bodies to support those adults unemployed or about to face unemployment. The National Careers Service was given responsibility to provide current information and intelligence on skills and jobs in local labour markets to the local partnerships set up to support local economic growth.

Whilst the National Careers Service is presented as an all-age service supporting individuals throughout their career, it is not viewed as a service to support those in work with funding often linked to target groups such as the long-term unemployed.⁷ In England, there has been a marketisation of guidance provision changing what services are available and how they are delivered,⁸ So, adult career guidance services are largely available through privatised services. As such there is little evidence on how much guidance provision there is for those in work and what it may comprise. Those in work can also access services through their employer as part of their benefits packages, human resource department and/or through trade union learning representatives. Lack of policy and investment in services for adults has led to a widening gap in provision. Internationally there are a number of examples of where guidance is provided to those in work. In France, for example, legislation has been in place since 2009 to ensure that every individual is able to access careers advice freely through local centres and are provided with training accounts to access training leading to a qualification.⁹ The aim of this provision is to ensure individuals remain employable and in work. Evidence from Denmark illustrates how guidance in the community can shift practice from the private to the public sphere to benefit those in work.¹⁰

The local partnerships with business, Mayoral Combined Authorities (MCA) and Local Enterprise Partnerships (LEPs) were given a remit to work together to ensure careers

⁶ Department for Education (2017). *Careers strategy: making the most of everyone's skills and talents*. London. HMSO.

⁷ Pye Tait Consulting (2022). *Career guidance for adults: Evidence gathering* (summary). Harrogate: Pye Tait Consulting.

⁸ Hughes, D., Meijers, F., & Kuijpers, M. (2015). Testing times: careers market policies and practices in England and the Netherlands. *British Journal of Guidance & Counselling*, 43, 2, 183-201.

⁹ Barnes, S-A., Bimrose, J., Brown, A., Kettunen, J., & Vuorinen, R. (2020). *Lifelong guidance policy and practice in the EU: trends, challenges and opportunities*. Luxembourg: Publications Office of the European Union.

¹⁰ Thomsen, R. (2017). *Career Guidance in Communities: A Model for Reflexive Practice*. Derby: International Centre for Guidance Studies, University of Derby.

information and advice supports local economic growth.¹¹ The *Careers Strategy* considered these bodies well-positioned to achieve these partnerships. The combined authorities set up in England coordinate local long-term responses to skills demands that align with economic sector needs. Employers are expected to be at the centre of the skills system, which suggests those in work should receive support with their careers and skills development. The LEPs are business-led partnerships that support local economic growth by bringing together the private sector, local authorities, education and training providers, and voluntary institutions. One function of the LEPs is to support people back into the labour market working with employers and job centres. It has been suggested, however, that LEPs prioritise high-skilled employment and do not always capture the voices of small and medium enterprises so are 'ineffective in influencing the local employment and skills agenda'.¹² In terms of career guidance for adults, the roles that MCAs and LEPs play varies across England with some providing developed systems and services, and others less explicit and less developed services. Recent research on the labour market information system for careers in England highlighted partnerships providing good sources of local intelligence and data on the labour market and skills used by career services.¹³ Whilst there is rhetoric about supporting people with skills as part of local economic growth, there is little evidence to demonstrate how this is working in partnership with local businesses and career services for adults, whether unemployed or in employment. At the local level the MCAs and LEPs fulfil a social partnership role at the local level, but also add to a complex system of careers support for adults, mainly those out of work.

Building on the *Careers Strategy*, the *Skills for Jobs* white paper set out reforms in further education to support individuals to develop skills across their life course.¹⁴ The aim of these reforms was to provide access to learning, training and careers support. It emphasised greater involvement of employers in the skills system. Significantly it formed part of the Lifetime Skills Guarantee which aims to support individuals in attaining the skills needed at each stage of their life. However, full funding is only available for those adults wishing to attain a level 3 qualification who have not previously attained a qualification to this level. These changes were included in the *Skills and Post-16 Education Act 2022*.¹⁵ This Act ensured provision for local skills improvement plans, and enhancement of further education provision. Whilst these changes provide a foundation in which to start to address skills mismatches it neglects the need to create a skills system that supports individual training and reskilling needs across the life course. Therefore, there is a gap in provision for those in work. The Policy Connect Education and Skills team¹⁶ suggested that in England the careers system needs to work 'coherently and without gaps or unhelpful overlap' to be a service for all (as in all ages,

¹¹ Sandford, M., & Dempsey, N. (2017). *Metro-Mayors and devolution deals*, house of commons library (Insight). 20 June 2017. Available from: <https://commonslibrary.parliament.uk/key-issues/metro-mayors-and-devolution-deals/>

¹² McGurk, P., & Meredith, R. (2018). Local employer engagement or distant elites? Local enterprise partnerships and employment and skills in England. *Journal of Education and Work*, 31(7-8), 692-714. (p.701).

¹³ Barnes, S-A., & Bimrose, J. (2021). *Labour market information and its use to inform career guidance of young people. The LMI/LMI+ Landscape in England*. Coventry: Institute for Employment Research, University of Warwick.

¹⁴ Department for Education (2021). *Skills for Jobs: Lifelong Learning for Opportunity and Growth* (CP338). London. HMSO.

¹⁵ Department for Education (2022). *Skills and Post-16 Education Act 2022 Impact Assessment*. London: HMSO. Available from: <https://www.legislation.gov.uk/ukpga/2022/21/enacted>

¹⁶ Policy Connect Education and Skills team (2021). *Transition to Ambition: Navigating the Careers Maze*. London: Policy Connect (p.8).

regardless of whether an individual is in training, work or unemployed) and support economic growth and productivity. Similarly, Nolan and Jackson (2016)¹⁷ suggested that whilst there is a range of skill provision activities in England, ‘there is little coordination, too much fragmentation and complexity’. Within the current context, there is little evidence to suggest that this has changed.

The pandemic has undoubtedly affected Government policies. The 2021 *Plan for Jobs* set out a range of economic and support measures to help those seeking work and in work during the pandemic.¹⁸ This included increased funding for the National Careers Services to support adults with personalised advice on training and work. An assessment of the plan highlighted a number of challenges that remained and needed addressing, including low levels of participation in lifelong learning, undersupply of technical skills and low skills levels of those leaving full-time education.¹⁹ The 2022 *Levelling Up* paper²⁰ highlighted the geographical disparities across the country in terms of economic, social, education and skills, and health and well-being outcomes. This agenda provided a foundation for investment in skills and in enabling adults to train and reskill to support mobility and career progression. Through new Pathfinder areas, the *Levelling Up* agenda aims to align the delivery of employment and skills interventions through local delivery partners from the Department for Work and Pensions and the Department for Education, including Jobcentre Plus, careers services, local employers, education and training providers, and local government. These economic and support measures suggest a move to more support for those in work as well as those who are unemployed.

These policies are set in time where demand for career guidance support is increasing.²¹ For instance, international research into career guidance highlighted a generalised increase in demand for career guidance activities linked to support for labour market transitions, skilling and reskilling.²² Similarly recent research from the OECD²³ suggested that there is ‘substantial demand for career guidance amongst adults’ with four out of 10 adults reporting that they had spoken to a careers adviser in the previous five years. The international research undertaken reported that those who engage with career guidance do so to receive help with their job search and to better understand education and training options available to them. In England, however, a well-connected and established skills system with career guidance support at its heart for adults to access across the life course is lacking. There is particularly a gap in provision for those adults in work. This was also reported by Sir John Holman in his role as Independent Strategic Adviser on Careers Guidance for the Department for Education, Sir Holman undertook an 18-month review of the careers guidance system in England reporting in 2022.²⁴ Nine strategic principles for the future of the careers guidance system in England

¹⁷ Nolan, A., & Jackson, M. (2016). *Skills Policy that Works for All*. Manchester, UK: Centre for Local Economic Strategies (p.6).

¹⁸ HM Treasury (2020). *Plan for Jobs* (CP261). London: HMSO.

¹⁹ Department for Education (2022). *Skills and Post-16 Education Act 2022 Impact Assessment*. London: HMSO. Available from: <https://www.legislation.gov.uk/ukpga/2022/21/enacted>

²⁰ HM Government (2022). *Levelling up the United Kingdom* (CP604). London: HMSO.

²¹ Cedefop, European Commission, ETF, ICCDPP, ILO, OECD, & UNESCO (2021). *Investing in Career Guidance – Revised Edition*. Luxembourg: Publications Office of the European Union.

²² Ibid.

²³ OECD (2021). *Career Guidance for Adults in a Changing World of Work, Getting Skills Right*. Paris: OECD Publishing. (p.7).

²⁴ Careers guidance system: letters from Sir John Holman and Robert Halfon (Correspondence), 12 December 2022. Available from: <https://www.gov.uk/government/publications/careers-guidance-system-letters-from-sir-john-holman-and-robert-halfon>

were recommended. These principles set out a vision for a publicly funded high quality careers guidance system ‘based on comprehensive and dynamic information and data’ accessible to all regardless of career stage.²⁵ Strategic principles 3 and 4 recommended that the Department for Education and the Department for Work and Pensions should focus services for adults in work and those in low paid work, respectively. The overall vision was to not only support adults in work, but to improve the overall system and its infrastructure to benefit the individual and the economy.

5 ‘Good’ career guidance in a skills system

Career guidance takes place at particular transition points for an individual, such as moving from education to work, becoming unemployed, being made redundant, returning to work, or moving location. It is a process by which an individual, working with a trained guidance practitioner, is encouraged to engage with activities to develop new thinking about their aspirations, expectations, qualifications, skills and experience in order to help progress into learning and/or work.²⁶ Lifelong guidance differs from career guidance as it takes a lifelong perspective towards career and considered a process that individuals engage with throughout their lives. It encompasses the development of strategies, competences and skills to manage transitions.^{27 28 29 30 31 32 33} Those systems of career guidance that provide support across the life course (lifelong guidance) not only provide advice and guidance at key transition points, but to those in work to support their career development.³⁴ Career guidance accessed at transition points or throughout the life course can be, in part, about reengaging with education, and developing or enhancing skills to ensure an individual remains resilient and adaptable in a demanding and changing labour market. For those in low skilled, low wage and/or insecure

²⁵ Ibid.

²⁶ Cedefop, European Commission, ETF, ICCDPP, ILO, OECD, & UNESCO (2020b). *Investing in Career Guidance*. Luxembourg: Publications Office of the European Union.

²⁷ Cedefop (2005). *Improving lifelong guidance policies and systems: Using common European reference tools*. Luxembourg: Office for Official Publications of the European Communities.

²⁸ Cedefop (2008). *From policy to practice. A systemic change to lifelong guidance in Europe* (Cedefop Panorama series 149). Luxembourg: Office for Official Publications of the European Communities.

²⁹ Cedefop (2011). *Lifelong guidance across Europe: reviewing policy progress and future prospects*. Luxembourg: European Centre for the Development of Vocational Training.

³⁰ Cedefop, European Commission, ETF, ICCDPP, ILO, OECD, & UNESCO (2020a). *Career guidance policy and practice in the pandemic: results of a joint international survey – June to August 2020*. Luxembourg: Publications Office of the European Union.

³¹ Council of the European Union (2004). *Draft Resolution of the Council on the representatives of the Governments of the Member States meeting within the Council on Strengthening Policies, Systems and Practices in their field of Guidance throughout life in Europe*. Brussels: Council of the European Union.

³² Council of the European Union (2008). *Council Resolution on better integrating lifelong guidance into lifelong learning strategies. 2905th Education, Youth and Culture Council meeting*. Brussels: Council of the European Union.

³³ OECD (2004). *Career guidance and public policy: Bridging the gap*. Paris: Organisation for Economic Co-operation and Development.

³⁴ Barnes, S-A., Bimrose, J., Brown, A., Kettunen, J., & Vuorinen, R. (2020). *Lifelong guidance policy and practice in the EU: trends, challenges and opportunities*. Luxembourg: Publications Office of the European Union.

work, career guidance across the life course was found to provide opportunities for skills development, career change and progression into a 'good' job.^{35 36}

In a system of lifelong guidance, guidance can take place in various contexts (such as in education and training institutions, public and private employment services, community and voluntary institutions, workplaces, etc.).^{37 38} In England, a system of providing support at key transition points (such as moving from education to the labour market or returning to the labour market after a career break) or at a time of unemployment or redundancy is in operation, rather than one that serves an individual throughout their life course. The system is focused on supporting those who are unemployed. Career guidance for adults is mainly provided by the further and higher education sector, public and private employment services, the National Careers Service and, less frequently, by employers and trade unions. The Career Development Institute (CDI) as the UK's professional body for those working in career development plays a key role in ensuring that the professional workforce is qualified, engages with continuing professional development and works to a shared code of ethics. Research has shown that professional bodies, such as the CDI and the Chartered Institute of Personnel and Development (CIPD), are part of a system of lifelong guidance ensuring practice adapts to a changing society and labour market.^{39 40} Plant and Hagaseth Haug (2008)⁴¹ state that 'adult guidance services are important vehicles in reacting to societal problems such as unemployment, underemployment and social exclusion... [and] ... meant to be proactive in enhancing new skills within lifelong learning.' This suggests that more attention should be paid to adult careers service provision whose role it is to support individuals develop and adapt their skills to new opportunities in a changing labour market.

In understanding the elements of 'good' career guidance for adults several studies can be drawn upon, but the focus here is on elements useful to a skills system. It should be noted that a greater positive effect of career guidance has been found when a recipient receives a greater number of career guidance sessions.^{42 43} It should be noted that there is no clear agreement on what 'good' careers guidance looks like for adults so it makes it difficult to

³⁵ Cedefop (2016a). *Improving career prospects for the low-educated. The role of guidance and lifelong learning* (Cedefop research paper No 54). Luxembourg: Publications Office of the European Union.

³⁶ OECD (2019). *Getting Skills Right: Engaging Low-Skilled Adults in Learning*. Paris: OECD Publishing.

³⁷ Barnes, S-A., Bimrose, J., Brown, A., Kettunen, J., & Vuorinen, R. (2020). *Lifelong guidance policy and practice in the EU: trends, challenges and opportunities*. Luxembourg: Publications Office of the European Union.

³⁸ OECD (2021). *Career Guidance for Adults in a Changing World of Work, Getting Skills Right*. Paris: OECD Publishing.

³⁹ Barnes, S-A., Hogarth, T., Wright, S. A., Baldauf, B., & Cárdenas-Rubio, J. (2023). *Labour market information and an assessment of its applications: A series of international case studies* (DfE Research report). London: Department for Education.

⁴⁰ Barnes, S-A., Bimrose, J., Brown, A., Kettunen, J., & Vuorinen, R. (2020). *Lifelong guidance policy and practice in the EU: trends, challenges and opportunities*. Luxembourg: Publications Office of the European Union.

⁴¹ Plant, P., & Hagaseth Haug, E. (2018). Unheard: the voice of users in the development of quality in career guidance services. *International Journal of Lifelong Education*, 37(3), 372-383. (pp. 376-377).

⁴² Whiston, S. C., Li, Y., Mitts, N. G., & Wright, L. (2017). Effectiveness of career choice interventions: A meta-analytic replication and extension. *Journal of Vocational Behavior*, 100, 175-184.

⁴³ Whiston, S. C., Mitts, N. G., & Li, Y. (2019). Evaluation of Career Guidance Programs. In: Athanasou, J. A., & Van Esbroeck, R. V. (eds). *International Handbook of Career Guidance*. Springer, Cham (pp. 815-834).

develop services. The Gatsby Benchmarks⁴⁴, however, provide an example of how a collaboration between a range of stakeholders in careers education and guidance for young people can be supported to discuss and articulate what 'good' means.

There is research from individual recipients of career guidance that extol the benefits of career guidance and what good guidance comprises.^{45 46 47 48 49} Giving primacy to the voice of the recipient of the career guidance provides a qualitative approach to understanding the effectiveness of career guidance and its value to the individual. In 2004, a study into the effectiveness of adult career guidance reported that 49 of the 50 adults who had received career guidance said that they had found it 'useful'.⁵⁰ A five-year longitudinal study tracked these adults and provided cumulative evidence and insights into how the career guidance had supported their transitions and shaped their career trajectories. A key feature of the career guidance was defined as the expertise of the career guidance practitioner and how it had affected some measure of transformation.^{51 52} Transformation was broadly defined as access to information about the labour market and skills opportunities, to support with making informed career decisions about learning and work.⁵³

Other research suggests that career guidance is enriched by employer engagement and work experiences. When this occurs career guidance enables individuals to better understand work

⁴⁴ The Gatsby Charitable Foundation. (2014). *Good Career Guidance*. London: The Gatsby Charitable Foundation.

⁴⁵ Bimrose, J., Barnes, S-A., & Hughes, D. (2008). *Adult career progression and advancement: A five year study of the effectiveness of guidance*. Coventry: Warwick Institute for Employment Research/Department for Education and Skills.

⁴⁶ Cedefop, European Commission, ETF, ICCDPP, ILO, OECD, & UNESCO (2020b). *Investing in Career Guidance*. Luxembourg: Publications Office of the European Union.

⁴⁷ OECD (2019). *Getting Skills Right: Engaging Low-Skilled Adults in Learning*. Paris: OECD Publishing.

⁴⁸ Plant, P., & Hagaseth Haug, E. (2018). Unheard: the voice of users in the development of quality in career guidance services. *International Journal of Lifelong Education*, 37(3), 372-383.

⁴⁹ Vilhjálmssdóttir, G., Dofradóttir, A. G., & Kjartansdóttir, G. B., with Lovén, A., Jessing, C. T., Haug, E. H., Koivunen, M., Plant, P., Vuorinen, R., & Mjörnheden, T. (2011). *Voice of Users. Promoting quality of guidance for adults in the Nordic countries*. Reykjavik: NVL.

⁵⁰ Bimrose, J., Barnes, S-A., & Hughes, D. (2008). *Adult career progression and advancement: A five year study of the effectiveness of guidance*. Coventry: Warwick Institute for Employment Research/Department for Education and Skills.

⁵¹ Barnes, S-A., & Bimrose, J. (2006). Effective guidance: Transforming clients' futures. In: Reid, H., & Bimrose, J. (eds). *Constructing Futures IV: Transforming Career Guidance*. London: Institute for Career Guidance (pp. 21-33).

⁵² Bimrose, J., & Barnes, S-A. (2009). Measuring the effectiveness of career counselling. In: Arnold, R., Gieseke, W., & Zeuner, C. (eds). *Bildungsberatung im Dialog: Grundlagen der Berufs- und Erwachsenenbildung* (Band 61). Baltmannsweiler, Germany: Schneider Verlag Hohengehren GmbH Publishing Company (pp. 79-96).

⁵³ Bimrose, J., Barnes, S-A., Hughes, D., & Orton, M. (2004). *What is Effective Guidance? Evidence from Longitudinal Case Studies in England*. Coventry: DfES/Warwick Institute for Employment Research.

and the work environment, as well as raise their aspirations.^{54 55 56} Nolan and Jackson (2016)⁵⁷ found that people at all stages of their labour market journey benefited from engagement with employers as it was crucial in helping them understand the types of skills needed in the labour market. It is also argued that employers have an increasingly important role to play in providing access to career guidance to support upskilling and reskilling as labour demand seems to exceed supply at the current time.⁵⁸ It is suggested that career guidance might help those with underutilised skills to validate non-formal and informal learning.⁵⁹ In some skills systems, career guidance practitioners or labour market officers engage with employers at the local level to collect skills information.⁶⁰ A range of approaches to collecting this type of skills information was found including the use of electronic employer skills surveys, expert roundtables, analysing job vacancy postings, and regular employer reporting. When career guidance practitioners collect this information, they build local knowledge and understanding of their labour market which helps individuals make informed decisions about engagement in learning and work.

⁵⁴ Cedefop, European Commission, ETF, ICCDPP, ILO, OECD, & UNESCO (2020b). *Investing in Career Guidance*. Luxembourg: Publications Office of the European Union.

⁵⁵ Nolan, A., & Jackson, M. (2016). *Skills Policy that Works for All*. Manchester, UK: Centre for Local Economic Strategies. P.6.

⁵⁶ Musset, P., & Mytina Kurekova, L. (2018). *Working it out: Career Guidance and Employer Engagement* (OECD Working Paper no. 175). Paris: OECD Publishing.

⁵⁷ Nolan, A., & Jackson, M. (2016). *Skills Policy that Works for All*. Manchester, UK: Centre for Local Economic Strategies. P.6.

⁵⁸ Hogarth, T. (2019). *Skills for the labour market: EU policies for VET and upskilling*. Brussels: European Parliament Briefing EMPL Committee.

⁵⁹ Cedefop (Hogarth, T., Brown, A., Gambin, L., Markowitsch, J. McCoshan, A., & Sofroniou, N.) (2018). *The changing nature and role of vocational education and training in Europe. Volume 3: the responsiveness of European VET systems to external change (1995-2015)* (Cedefop research paper No. 67). Luxembourg: Publications Office.

⁶⁰ Barnes, S-A., Hogarth, T., Wright, S. A., Baldauf, B., & Cárdenas-Rubio, J. (2023). *Labour market information and an assessment of its applications: A series of international case studies* (DfE Research report). London: Department for Education.

There is a strong evidence base that ‘good’ career guidance includes high quality, current labour market information (see for example).^{61 62 63 64 65 66 67 68 69} Information that can be translated into intelligence and personalised to make it relevant and useful to the individual recipient. A recent review of the careers information, advice and guidance system in England, and how it supports transitions into employment, identified labour market information as essential to supporting individuals.⁷⁰ Hofer, Zhivkovikj and Smyth (2020)⁷¹ also reported on the importance of labour market information and data for those making education and occupational choices, but that it needs to be tailored, personalised, customisable and include quantitative and qualitative information when displayed. Both reports acknowledge how robust, high-quality labour market information and data continues to be pivotal for effective career support.

Recent research on the labour market information system for careers in England found a well-developed system with a range of organisations delivering labour market information and intelligence.⁷² Whilst the research was looking at labour market information and intelligence for young people, it noted a number of gaps in the system significant to adult career guidance services. For instance, occupational information is often qualitative with little detailed information on skills and sectoral information is lacking. For those delivering career guidance services to adults, this lack of information means it is particularly challenging to support those looking to upskill, reskill or transfer skills. This gap was emphasised during the pandemic when

⁶¹ Alexander, R., McCabe, G., & De Becker, M. (2019). *Careers and labour market information: an international review of the evidence*. Reading: Education Development Trust.

⁶² Barnes, S-A., & Bimrose, J. (2021). *Labour market information and its use to inform career guidance of young people. The LMI/LMI+ Landscape in England*. Coventry: Institute for Employment Research, University of Warwick.

⁶³ Barnes, S-A., Bimrose, J., Brown, A., Kettunen, J., & Vuorinen, R. (2020). *Lifelong guidance policy and practice in the EU: trends, challenges and opportunities*. Luxembourg: Publications Office of the European Union.

⁶⁴ Bimrose, J. (2021). Labour Market Information for Career Development: Pivotal or Peripheral? In: Robertson, P., Hooley, T., & McCash, P. (eds.) *The Oxford Handbook of Career Development*. Oxford University Press: Madison Avenue, NY. (pp. 283-295).

⁶⁵ Cedefop (2016b). *Labour market information and guidance* (Cedefop research paper No 55). Luxembourg: Publications Office.

⁶⁶ Hiebert, B., Bezanson, L., O'Reilly, E., Hopkins, S., Magnusson, K., & McCaffrey, A. (2012). *Assessing the impact of labour market information: Final report on results of phase three (Follow up Interviews)*. Canadian Career Development Foundation (CCDF)/Canadian Research Working Group (CRWG): Ottawa, Canada.

⁶⁷ Hofer, A-R., Zhivkovikj, A., & Smyth, R. (2020). *The role of labour market information in guiding educational and occupational choices* (OECD Education Working Paper No. 229). Paris: OECD Publishing.

⁶⁸ Milot-Lapointe, F., Savard, R., & Paquette, S. (2018). Effect of labour market information (LMI): Comparison between independent and assisted use of LMI. *Canadian Journal of Career Development/Revue canadienne de développement de carrière*, 17(1), 43-52.

⁶⁹ Nolan, A., & Jackson, M. (2016). *Skills Policy that Works for All*. Manchester, UK: Centre for Local Economic Strategies.

⁷⁰ Policy Connect Education and Skills team (2021). *Transition to Ambition: Navigating the Careers Maze*. London: Policy Connect.

⁷¹ Hofer, A-R., Zhivkovikj, A., & Smyth, R. (2020). *The role of labour market information in guiding educational and occupational choices* (OECD Education Working Paper No. 229). Paris: OECD Publishing.

⁷² Barnes, S-A., & Bimrose, J. (2021). *Labour market information and its use to inform career guidance of young people. The LMI/LMI+ Landscape in England*. Coventry: Institute for Employment Research, University of Warwick.

adults were looking to transfer their skills to new roles with practitioners reporting a lack of current (or real-time) data on the labour market and demands.

During the pandemic, survey evidence reported a significant increase in demand for labour market information by adults (in work and unemployed) particularly on skills and that career guidance had a role to play in supporting economic and social recovery.⁷³ This highlights the growing demand and importance of this information and data in a skills system. Whilst labour market and skills information is one element of good career guidance, the expertise of the career guidance practitioner is also essential in transforming that information so that it is not only relevant but appropriate to the individual recipient. The practitioner also provides access to information about the labour market and skills opportunities to support individuals with decisions about learning and work. What is emerging from the evidence is the significant role employers play in career guidance supporting both young people and adults. Employers have a key role in the guidance process by helping to understand current and future skills needs.

6 The benefits of ‘good’ career guidance and the return on investment

Measuring the social and economic returns of career guidance is particularly important when designing and delivering career guidance services to support the skills system. Measuring returns, or the benefits of career guidance, in terms of the economic, educational and social outcomes is well-recognised.^{74 75} The benefits have been well researched but determining the outcomes and the timeframe for measuring these outcomes can be complex.^{76 77 78 79 80 81 82} In 2002, Hughes and colleagues published a report on *The Economic Benefits of Guidance*,⁸³ which detailed outcomes that could be measured. These included immediate, intermediate and long-term benefits such as: motivational and attitudinal change; learning; participation in learning; retention and achievement; job search and reduced unemployment; employment;

⁷³ Cedefop, European Commission, ETF, ICCDPP, ILO, OECD, & UNESCO (2020a). *Career guidance policy and practice in the pandemic: results of a joint international survey – June to August 2020*. Luxembourg: Publications Office of the European Union.

⁷⁴ Cedefop, European Commission, ETF, ICCDPP, ILO, OECD, & UNESCO (2020b). *Investing in Career Guidance*. Luxembourg: Publications Office of the European Union.

⁷⁵ Percy, C., & Dodd, V. (2020). The Economic Outcomes of Career Development Programmes. In: Robertson, P., Hooley, T., & McCash, P. (eds). *The Oxford Handbook on Career Development*. Oxford: Oxford University Press (pp. 35-48).

⁷⁶ Hooley, T., & Dodd, V. (2015). *The Economic Benefits of Career Guidance*. Careers England.

⁷⁷ Hughes, D., Bosley, S., Bowes, L., & Bysshe, S. (2002). *The Economic Benefits of Guidance*. Derby: Centre for Guidance Studies, University of Derby.

⁷⁸ Hughes, D., & Hogg, R. (2018). *Productivity and the Economic Benefits: National Careers Service – Careers Yorkshire and the Humber*. Exeter: DMH Associates.

⁷⁹ Killeen, J., & White, M. (2000). *The Impact of Careers Guidance on Adult Unemployed People*. Sheffield: Department of Education and Employment.

⁸⁰ Mayston, D. (2002). *Developing a framework Theory for Assessing the Benefits of Careers Guidance* (Discussion paper in economics, no. 2002/08). York: University of York.

⁸¹ Percy, C. (2020). *Personal Guidance in English Secondary Education: An Initial Return on Investment Estimate*. London: The Careers & Enterprise Company.

⁸² Whiston, S. C., Mitts, N. G., & Li, Y. (2019). Evaluation of Career Guidance Programs. In: Athanasou, J. A., & Van Esbroeck, R. V. (eds). *International Handbook of Career Guidance*. Springer, Cham (pp. 815-834).

⁸³ Hughes, D., Bosley, S., Bowes, L., & Bysshe, S. (2002). *The Economic Benefits of Guidance*. Derby: Centre for Guidance Studies, University of Derby.

and the economy. It highlighted that the benefits of guidance should be considered over time and include immediate and intermediate outcomes for the individual, and longer-term outcomes for the economy.

At an individual level, individual outcomes of guidance tend to be evidenced using hard measures such as gaining a qualification, engaging in education and training, or entering employment. Hard measures are often used as measures for payment-by-results models.⁸⁴ Whilst using these hard outcome measures it is recognised that individuals benefit from career guidance and experience positive outcomes, other, softer, measures are just as important. These can, for example, be motivational and attitudinal changes, a better understanding of the labour market, or improving job search skills^{85 86 87}; all of which are reported to support individuals engaging with education and/or the labour market. Others suggest that resilience and adaptability and well-being as softer, qualitative outcomes of career guidance should not be dismissed as they promote positive engagement with learning and work.^{88 89} These softer measures are often seen as immediate outcomes of engagement with career guidance. An evaluation of the National Careers Service found a range of short-term positive outcomes for (unemployed) users in terms of education and training, benefit dependency and employment measures.⁹⁰

Nevertheless, there is much literature on the value of measuring the benefits of career guidance over the longer-term with many suggesting that benefits accrue over a lifetime.^{91 92 93 94} For a study tracking those that had received guidance over a two-year period reported a number of benefits of career guidance using quantitative measures. Killeen and White (2000)⁹⁵ reported that individuals entered full-time education or training and were more likely to gain a qualification and experience increased job satisfaction. Similarly, a five-year longitudinal

⁸⁴ Barnes, S-A., & Wright, S.A. (2019). *The feasibility of developing a methodology for measuring the distance travelled and soft outcomes for long-term unemployed people participating in Active Labour Market Programmes*. Luxembourg: Publications Office of the European Union.

⁸⁵ Hughes, D., Bosley, S., Bowes, L., & Bysshe, S. (2002). *The Economic Benefits of Guidance*. Derby: Centre for Guidance Studies, University of Derby.

⁸⁶ Killeen, J., & White, M. (2000). *The Impact of Careers Guidance on Adult Unemployed People*. Sheffield: Department of Education and Employment.

⁸⁷ Whiston, S. C., Li, Y., Mitts, N. G., & Wright, L. (2017). Effectiveness of career choice interventions: A meta-analytic replication and extension. *Journal of Vocational Behavior*, 100, 175-184.

⁸⁸ Bimrose, J., & Hearne, L. (2012). Resilience and career adaptability: Qualitative studies of adult career counselling. *Journal of Vocational Behavior*, 81(3), 338-344.

⁸⁹ Robertson, P. J. (2013). The well-being outcomes of career guidance. *British Journal of Guidance & Counselling*, 41(3), 254-266.

⁹⁰ Lane, M., Conlon, G., Peycheva, V., Mantovani, I., & Chan, S. (2017). *An Economic Evaluation of the National Careers Service* (Research report DFE-RR672). London: Department for Education.

⁹¹ Bimrose, J., Barnes, S-A., & Hughes, D. (2008). *Adult career progression and advancement: A five year study of the effectiveness of guidance*. Coventry: Warwick Institute for Employment Research/Department for Education and Skills.

⁹² Cedefop, European Commission, ETF, ICCDPP, ILO, OECD, & UNESCO (2020b). *Investing in Career Guidance*. Luxembourg: Publications Office of the European Union.

⁹³ Hooley, T., & Dodd, V. (2015). *The Economic Benefits of Career Guidance*. Careers England.

⁹⁴ Percy, C. (2020). *Personal Guidance in English Secondary Education: An Initial Return on Investment Estimate*. London: The Careers & Enterprise Company.

⁹⁵ Killeen, J., & White, M. (2000). *The Impact of Careers Guidance on Adult Unemployed People*. Sheffield: Department of Education and Employment.

qualitative study found that career guidance can lead to more sustainable employment, progression into and within the labour market and/or further engagement with education and learning to develop knowledge and skills.⁹⁶ Both studies evidenced that outcomes, whether qualitative or quantitative, are likely to accumulate over the longer-term.^{97 98}

The limitations of economic models suggest that other metrics are needed to move away from short-term outcomes and indicators of success, particularly to capture softer and longer-term outcomes⁹⁹. Recent research suggests that new outcome measures, soft measures in particular, are needed for the long-term unemployed and those furthest from the labour market, as the timeframe to achieve particular outcomes, such as employment, is likely to be longer.¹⁰⁰ This report evidenced the value in measuring the softer outcomes individuals may achieve such as attitudinal and behavioural changes to engaging with learning and developing new skills; both important outcomes on the journey to labour market entry. A distance-travelled model was proposed in which to evidence a range of individual outcomes from those engaged with careers and employment programmes. A distance-travelled model is one approach being used, particularly in Europe, to measure or monitor soft outcomes for those participating in Active Labour Market Programmes to validate or assess the effectiveness of these programmes.¹⁰¹ For an individual, this type of model can successfully evidence skill changes, which can have a positive and motivational effect on the individual.^{102 103} From a policy perspective, this would require a shift in thinking and a change in how education and employment programme outcomes are measured and, perhaps, financed.

⁹⁶ Bimrose, J., & Barnes, S-A. (2009). Measuring the effectiveness of career counselling. In: Arnold, R., Gieseke, W., & Zeuner, C. (eds). *Bildungsberatung im Dialog: Grundlagen der Berufs- und Erwachsenenbildung* (Band 61). Baltmannsweiler, Germany: Schneider Verlag Hohengehren GmbH Publishing Company (pp. 79-96).

⁹⁷ Bimrose, J., Barnes, S-A., & Hughes, D. (2008). *Adult career progression and advancement: A five year study of the effectiveness of guidance*. Coventry: Warwick Institute for Employment Research/Department for Education and Skills.

⁹⁸ Killeen, J., & White, M. (2000). *The Impact of Careers Guidance on Adult Unemployed People*. Sheffield: Department of Education and Employment.

⁹⁹ Percy, C., & Dodd, V. (2020). The Economic Outcomes of Career Development Programmes. In: Robertson, P., Hooley, T., & McCash, P. (eds). *The Oxford Handbook on Career Development*. Oxford: Oxford University Press (pp. 35-48).

¹⁰⁰ Barnes, S-A., & Wright, S.A. (2019). *The feasibility of developing a methodology for measuring the distance travelled and soft outcomes for long-term unemployed people participating in Active Labour Market Programmes*. Luxembourg: Publications Office of the European Union.

¹⁰¹ Ibid.

¹⁰² MacArtain, D., & Thorne, B. (2016). *Momentum Programme: Momentum Evaluation 2015-2016*. Exodea Europe Consulting Group. Dublin, Ireland: Solas.

¹⁰³ Whelan, N., McGilloway, S., Murphy, M. P., and McGuinness, C. (2018). EEPIC - Enhancing Employability through Positive Interventions for improving Career potential: the impact of a high support career guidance intervention on the wellbeing, hopefulness, self-efficacy and employability of the long-term unemployed – A study protocol for a randomised controlled trial. *Trials*, 19(1), 141.

For the employer, investment in career guidance and development activities are seen to increase productivity and reduce staff turnover and ensure a skilled labour supply.^{104 105} These benefits are argued to be the result of individuals being able to think differently about themselves and gain new perspectives on work.¹⁰⁶ Others have suggested benefits including increased job satisfaction, well-being, motivation and improved job performance.^{107 108 109 110} The acknowledged benefits and value of career guidance in business environments is low with little recognition of how it can support reskilling and upskilling of workers.¹¹¹ Some practice has been evaluated in England and across Europe to evidence the value of guidance for employers.^{112 113} Research on lifelong guidance systems (comprises the organisation of career services in terms of legislation, policy and practice) in Europe found a number of countries where employers are active stakeholders helping employees adapt to and navigate the labour market.¹¹⁴ Whilst this support tends to be in larger organisations through human resource departments, it highlights the benefits of providing career guidance in terms of engagement in upskilling and workplace learning. Overall, there needs to be greater emphasis on the role of employers in supporting workers with skills development and adapting to labour market demands.¹¹⁵ Evidence highlights the benefits of supporting those in work with career guidance.

For the economy, career guidance is seen to improve: the interface between education and training systems and the labour market; matching labour market supply and demand; the economic growth of a nation; and social equity.¹¹⁶ The economic benefit measured in one

¹⁰⁴ Percy, C., & Dodd, V. (2020). The Economic Outcomes of Career Development Programmes. In: Robertson, P., Hooley, T., & McCash, P. (eds). *The Oxford Handbook on Career Development*. Oxford: Oxford University Press (pp. 35-48).

¹⁰⁵ Hooley, T., & Rice, S. (2019). Ensuring quality in career guidance: a critical review, *British Journal of Guidance & Counselling*, 47(4), 472-486.

¹⁰⁶ Barnes, S-A., Bimrose, J., Brown, A., Kettunen, J., & Vuorinen, R. (2020). *Lifelong guidance policy and practice in the EU: trends, challenges and opportunities*. Luxembourg: Publications Office of the European Union.

¹⁰⁷ Hughes, D., Bosley, S., Bowes, L., & Bysshe, S. (2002). *The Economic Benefits of Guidance*. Derby: Centre for Guidance Studies, University of Derby.

¹⁰⁸ Kieffer, K. M., Schinka, J. A., & Curtiss, G. (2004). Person–environment congruence and personality domains in the prediction of job performance and work quality. *Journal of Counselling Psychology*, 51, 168-177.

¹⁰⁹ Mayston, D. (2002). *Developing a framework Theory for Assessing the Benefits of Careers Guidance* (Discussion paper in economics, no. 2002/08). York: University of York.

¹¹⁰ Meager, N., & Speckesser, S. (2011). *Wages, productivity and employment: A review of theory and international data*. Brighton: Institute for Employment Studies.

¹¹¹ Cedefop, European Commission, ETF, ICCDPP, ILO, OECD, & UNESCO (2020b). *Investing in Career Guidance*. Luxembourg: Publications Office of the European Union.

¹¹² Djurovic, A., & Manic Radoicic, J. (2022). *IO1 - Transnational Synthesis, Conclusions And The Glossary, Connecting Career Counselling and Human Resource Development in Enterprises for Higher Education and Training in Practice*. CONNECT!

¹¹³ DMH Associates (2022). *An international review of places and spaces for innovative all-age careers support - Qdos Career Hubs in England (The Akrill Review – Volume II)*. Qdos Career Hub.

¹¹⁴ Barnes, S-A., Bimrose, J., Brown, A., Kettunen, J., & Vuorinen, R. (2020). *Lifelong guidance policy and practice in the EU: trends, challenges and opportunities*. Luxembourg: Publications Office of the European Union.

¹¹⁵ Hirschi, A. (2018). The fourth industrial revolution: Issues and implications for career research and practice. *The Career Development Quarterly*, 66(3), 192-204.

¹¹⁶ Watts, A.G. (2014). Cross-national reviews of career guidance systems: overview and reflections. *Journal of the National Institute for Career Education and Counselling*, 32(1), 4-14.

career service organisation reported that for every £1 invested in careers services, £9 is returned in fiscal benefits for the wider economy.¹¹⁷ These benefits were calculated by cost savings in benefits, and the additional income from tax benefits of those now in employment. However, these returns were considered modest as they did not take account of the longer-term individual and societal outcomes of those progressing into learning and work.¹¹⁸ The social and economic returns of career guidance, often achieved over the longer-term, can include productivity gains of those in employment, reductions in skills gaps and shortages, reduced unemployment levels, and enhanced income levels.^{119 120 121}

Whilst it is possible to evidence the value and impact of career guidance on the individual, employer and the economy, provision to support local skills development needs to be in place. There is evidence to suggest that the current system is not robust and does not meet the needs of individuals and employers.^{122 123} Overall, there is substantive evidence on the value and benefits of career guidance whether measured using quantitative and qualitative measures, or whether measured over time. Whilst longer-term measures may indicate a higher return on investment for those wanting an economic indicator, the shorter and more qualitative measures should not be neglected as these are more likely to encompass skill changes and behavioural changes in terms of learning not only for those out of work, but those in work.

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¹¹⁷ Hughes, D., & Hogg, R. (2018). *Productivity and the Economic Benefits: National Careers Service – Careers Yorkshire and the Humber*. Exeter: DMH Associates.

¹¹⁸ Ibid.

¹¹⁹ Ibid.

¹²⁰ Mayston, D. (2002). *Developing a framework Theory for Assessing the Benefits of Careers Guidance* (Discussion paper in economics, no. 2002/08). York: University of York.

¹²¹ Percy, C., & Dodd, V. (2020). The Economic Outcomes of Career Development Programmes. In: Robertson, P., Hooley, T., & McCash, P. (eds). *The Oxford Handbook on Career Development*. Oxford: Oxford University Press (pp. 35-48).

¹²² Hughes, D., Adriaanse, K., & Barnes, S-A. (2016). *Adult Education. Too important to be left to chance* (A report commissioned by the All Party Parliamentary Group for Adult Education (APPG)). London: APPG.

¹²³ Nolan, A., & Jackson, M. (2016). *Skills Policy that Works for All*. Manchester, UK: Centre for Local Economic Strategies

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ReWAGE is an independent expert advisory group modelled on SAGE, which supports government's strategic response to the recovery and renewal of work and employment in the UK as it tackles the impact of current challenges to the UK's productivity and prosperity.

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