

Adult career guidance and its role in skills development

ReWAGE Policy Briefing

This ReWAGE policy brief argues that a well-connected and established system of career guidance support for adults, particularly those in work, is lacking in England. Evidence highlights that a system that is coherent and holistic, as seen in international lifelong guidance systems, is needed to support those in work to remain employable and those out of work to gain employment. 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.

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.

Policy context

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.

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 in England over the last few years. This included:

- the 2017 Department for Education *Careers Strategy* which established a plan to improve career guidance for people of all ages in England by 2020 and gave a remit to Mayoral Combined Authorities and Local Enterprise Partnerships to work with businesses to ensure careers information and advice supports local economic growth;
- the 2020 *Plan for Jobs* set out a range of economic and support measures to help those seeking work and in work during the pandemic including increased funding for the National Careers Services to support adults with personalised advice on training and work;
- in 2021 the *Skills for Jobs* white paper which set out reforms in further education to support individuals to develop skills across their life course were included in the *Skills and Post-16 Education Act 2022* emphasising the greater involvement of employers in the skills system;
- the 2022 *Levelling Up* paper highlighted the geographical disparities across the country in terms of economic, social, education and skills, and health and well-being outcomes and provided a foundation for investment in skills and in enabling adults to train and reskill to support mobility and career progression.

Whilst policies and plans have been put in place, 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 highlighted in the review of the careers guidance system in England undertaken by Sir John Holman in 2022. Nine strategic 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.

Overview of evidence¹

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

¹ A full reference list is presented in the accompanying evidence review.

changes. Workers anticipate needing to upskill, reskill and adapt to new roles more than ever.² Research estimates that 80% of the current workforce will still be in the workforce in 2030 and reskilling them will be a major challenge.³ It is also suggested that the UK skills mismatch will continue to get worse.⁴ 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. 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.

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

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.). 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. Professional bodies, such as the Career Development Institute (CDI) and the Chartered Institute of Personnel and Development (CIPD), have a key role in a system of lifelong guidance ensuring career development practice adapts to a changing society and labour market. This is particularly important for services aimed at adults in work who need support in developing and adapting their skills to new opportunities in a changing labour market.

There is overwhelming evidence on the benefits of career guidance and what constitutes good guidance. A five-year longitudinal study found that a key feature of career guidance was defined as the expertise of the career guidance practitioner and how it had affected some measure of transformation. 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. Other research suggests that career guidance is enriched by employer engagement and work experiences. When this occurs career guidance enables

² 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.

³ Industrial Strategy Council (2019). *UK Skills Mismatch in 2030* (Research paper). London.

⁴ Ibid.

individuals to better understand work and the work environment, as well as raise their aspirations. However, there is no clear agreement on what 'good' careers guidance looks like for adults so it makes it difficult to develop services. The Gatsby Benchmarks, 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.

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. 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. It noted a number of gaps in the system significant to adult career guidance services such as little detailed information on skills and sectoral information. 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 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.

Measuring returns, or the benefits of career guidance, in terms of the economic, educational and social outcomes is well-recognised. For adults, these returns are evident particularly over the longer-term with benefits accruing over time. 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.

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This policy brief represents the views of the authors based on the available research. It is not intended to represent the views of all ReWAGE members.

Funding:

This paper was commissioned and funded by the Gatsby Foundation. The views and opinions expressed in this report are those of the authors and do not necessarily state or reflect those of the Gatsby Charitable Foundation.

ReWAGE is part of an integrated research infrastructure funded in response to COVID-19 by the Economic and Social Research Council. The ESRC is part of UK Research and Innovation, a non-departmental public body funded by a grant-in-aid from the UK government. For more information visit <http://www.ukri.org>.

About ReWAGE

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. Website: <https://warwick.ac.uk/fac/soc/ier/rewage/>