

Where to from here?

A discussion paper about the relationship
between young people and employers

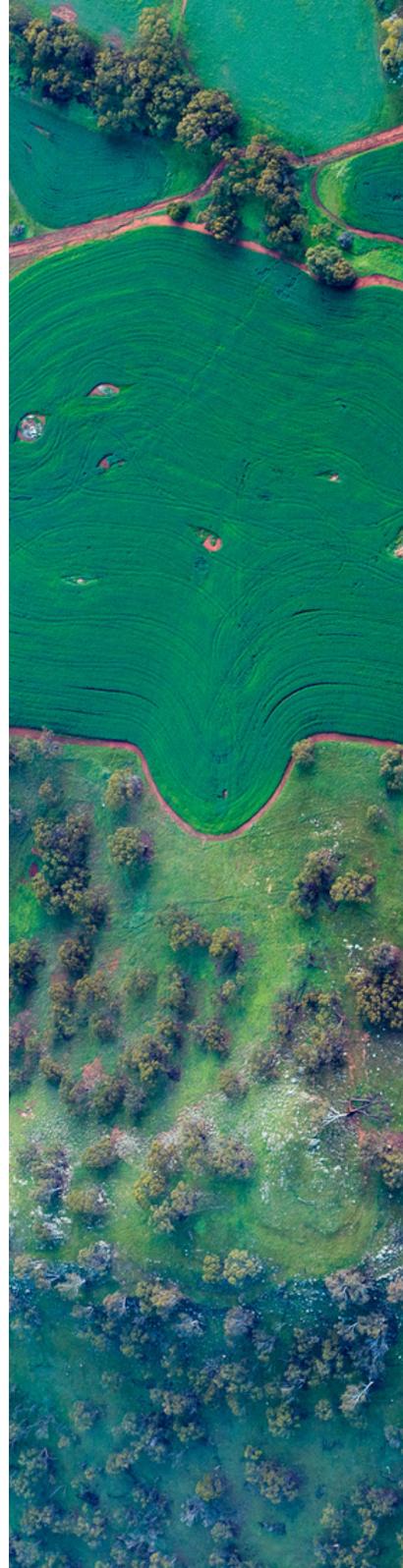


Acknowledgement

Learning Creates acknowledge the traditional custodians of the land throughout Australia who have been learning and educating on Country for over a thousand generations.

We pay our respects to their Elders past, present and emerging for they hold the memories, traditions, cultures and hopes

of Aboriginal and Torres Strait Islander Australia. We acknowledge that Aboriginal and Torres Strait Islander people continue to live in spiritual and sacred relationships with Australia.



About Learning Creates Australia

Learning Creates Australia is a growing alliance of people and organisations who are committed to lifting Australia through a new era of learning.

Our first project, *The Learner's Journey*, is focused on increasing opportunities for 15 to 19 year-olds to successfully transition through education and into work and life beyond school by developing alternatives to the current recognition and certification systems that limit the life chances of young people.

Our aim is to create a more extensive range of pathways for young people that are trusted and valued by recruiters and selectors, and more inclusive of the needs of students disadvantaged by the current dominant system.

Learning Creates Australia commissioned Public Purpose (publicpurpose.com.au) to undertake the research for this discussion paper.

Introduction

This discussion paper presents themes and insights from a short research project exploring the changing nature of the relationship between employers and young people in Australia.

It's purpose is to support discussions between those working in and around transitions to employment – with a focus on young people as they move from learning into the workplace.

The dynamic between employers and young people has regularly featured in research and policy discussions and it will continue to do so. Our goal is to take another step towards understanding the current barriers and opportunities as employers consider how to gain the most from their engagement and process of employing young people. What are their concerns, expectations and ideas about the nature of work in relation to what young people know or don't know?

To inform this paper, three pieces of work were conducted and have formed the basis of the narrative that follows.

A survey of eight questions was circulated to a employers, covering different industries, regions and size.

The responses provided valuable insights about different aspects of contemporary employers attitudes and experiences when it came to the relationship with young people.

As well as the survey responses, this project involved conducting ten interviews with a range of employers (large, small and medium businesses and organisations) to explore in more depth and detail how they were currently approaching the challenge, and opportunity of employing young people.

And thirdly, while the research field about the relationship between employers and young people and about the changing position of young people in the labour market is wide, this project reviewed 17 reports and research studies.

The headline from the research is that the role employers play in how young people make a successful transition from learning to work is vital. Regular and visible contact with employers and accessing the world of work is central to the confidence with which those transitions are made. Active engagement in this process by employers brings distinct and measurable benefits.

Discussion topic



But while we know it is vital, do we know enough about the benefits? And who can benefit?

What is the role that employers should play? And how does this differ or compare to the role of schools, universities and young people themselves?

How employers determine their role and contribution will vary. There is no single group of employers – industries and businesses differ in scale, discipline and intent. In any given context, different approaches will emerge from a trade-off between what's necessary, what's possible and what's realistic.

For some, the issue is about the distance that exists between the still highly structured environment of school or university and the much less structured, contingent and flexible nature of the work place.

Importantly, this discussion paper and the first phase of findings has reinforced there are choices available to employers, from complete disengagement to a collaborative and rewarding process of co-design. Collaborative design of improved learning to work transitions that are more systematic and equally available to all young people is a choice employers can make. But we also know that some employers face more stubborn barriers than others.

This discussion paper will evolve as we engage further on the topics outlined below.

Discussion topic

There are many points of view but what are the common themes we see emerging in Australia, particularly in light of the impact of the Pandemic?

Different views about what employers could and should be doing with and for young people are to be expected, but identifying common themes will enable us to characterise a consistent employer perspective to help shape and inform how we approach making improvements for young people as they move through their learning pathways.

Where do we have clear alignment on the role and voice of business in young people's transition to work?

Employers have always been in the discussion about young people's transition into work, but with some inconsistency about their voice and position. In a rapidly changing world it's not clear what their role should be as we weigh the wider economic and social obligations.



The insights collected through this process reveal that employers are describing a balance between aspiration and pragmatism. What constitutes the attitudes and behaviour of a responsible employer in relation to young people is defined as a contest between wanting to do the right thing and being hostage to operating conditions. But it's also more than this.

We know that there are barriers getting in the way of employers as they navigate the paths to employing and training young people:

- Many describe the frustration around young people not being equipped with the skills and capabilities they need;
- Small businesses find it challenging to resource innovative recruitment methods and training and they struggle to present a workplace culture that will attract young people;
- When businesses do invest the time and effort to find young people who have the mindset or approach they believe will be a good fit, retaining new talent is challenging;
- Young people remain at higher risk of marginalisation from the labour market through a mixture of structural and systemic changes and the more recent impact of COVID-19 as well as the rise of part time, casual and gig economy work.

On the flip side, we know that there is clear evidence that choosing to engage and to assume some larger responsibility for improving their relationship with all employees, but especially young people, is directly linked to better business and organisational results. The active engagement of employers, as part of the mix of support and advice for young people, is crucial to effective transitions from learning to work.

The context for change

'We need a different level of engagement and leadership...

The single biggest challenge in building the kinds of career pathways systems we are advocating is engaging employers. ...the role of employers and their associations is absolutely central in the strongest vocational systems around the world.

In such systems, employers are at the table from the very beginning of the process of pathway design to assure that the standards and curriculum are aligned with industry requirements, and they partner with educators in program implementation, especially in the provision of extended workplace learning opportunities that complement the in-school instructional program...

We need a different level of engagement and leadership from employers, one based on a recognition that it is in their long-term economic self-interest to invest early in building their future workforce rather than sitting back and waiting to see what the education institutions send them. In a word, we need to transition from a CTE system that is supply-driven to one that is demand-driven and much more responsive to the changing requirements of a dynamic economy.'

Robert B Schwartz, Professor of Practice, Emeritus
Harvard Graduate School of Education



The employer-employee relationship is often under strain and young people have a lot to win or lose from how we collectively respond.

The strain we are seeing now is partly a function of the pandemic-infused temper of the times. But it's also a function of deeper and longer-standing economic, social and technology shifts whose combined effects have for some time been testing many of the assumptions and expectations on which that relationship is based.

What emerged through our interviews was that employers who were experiencing significant structural and policy change, explained that these changes required lean business models which often left little organisational or leadership room for development opportunities, especially for younger employees. That tends to breed a limited view of the employer's responsibility, tempered only by the pragmatism fuelled by the implacable requirements of the market.

As mentioned above, the disruption around us, due to so many factors, presents a choice.

One is, broadly, resist and defend to hold onto familiar patterns and recognised rhythms. The other is engage and invest, tapping into momentum for change.

Those at the front-line of the employer-employee relationship, especially as it impacts young people, are facing such a choice. That's clear from the survey responses and the case study interviews. And it's certainly clear from the research and literature review as well.



Most people who work in and around education pathways are aware of the pieces of the puzzle that need to come together to make transitions from learning to work for young people successful and sustained.

The problem is that the puzzle comes together in fragmented and disconnected ways and relies too much on the variable quality of engagement by schools, employers, young people and families. Becoming more systematic at the way we put those pieces together and making sure it can then properly support all young people is clearly a way to address many of the challenges.

In a few of the interviews conducted for this paper, it emerged that taking a deliberate and planned approach to better engagement with younger employees reflected a determination to be a leading organisation in that sector. In other words, the relationship they were developing with young people was part of a larger vision for the development and competitive positioning of their business or organisation.

Discussion topic



From resist and defend – to engage and invest. What other approaches could we be describing beyond the two choices many employers feel restricted to?

Case study

This summary from a 2014 research summary from The Smith Family indicates that even before the Pandemic, this significant issue was being explored.

‘Employers also need to be able to recognise the benefits and opportunities associated with developing a long term employment relationship with young and entry level employees.

As a representative of a national employer organisation notes, the need for employers to employ and commit to the skill development of young people is an essential precondition for young people’s positive transitions to work. “In the current environment there is little doubt that businesses are operating on much leaner budgets, and there is immense pressure to compete.

This can sometimes create a perception amongst employers that young people represent a greater risk because there are too many unknowns and their skills and abilities are not always easy to verify from the outset...The provision of sustainable employment opportunities for young people is possible, but the problem at the moment is that there is no real sense of what works and no shared evidence base from which to draw.”

A CEO of a national employment services organisation highlights that there is immense good will amongst employers and a desire to employ more young people, but limited knowledge about how best to achieve this operationally, administratively and in human resource terms.

There has never been a shortage of employers who are willing to give a young person a go when they can. I’ve seen so many employers over the years try to find a spot for a young person, because they see the value in developing the next generation, but what they need is support or a ‘go to’ person when things don’t go as planned. Employers need knowledge and resources in navigating the challenges of employment as well.’



There are a number of emerging themes and insights which may influence the way the employer-employee relationship, especially with young people, could change in Australia over the next few years. Many of these themes command a growing debate or discussion in their own right. But for the purposes of this report, we will focus on two global surveys that illustrate how businesses are thinking about the relationship between young people and the world of work.

At a high level, this quote from Deloitte presents a clue around the global pattern in employment more broadly, and what this means for young people is a topic worth discussing as part of our focus:

'Perhaps then it's no surprise that we find ourselves in a moment of reflection. Workers are reconsidering everything from who they want to work for – with 40% of the global workforce considering leaving their employer this year – to the role they expect employers to play in supporting their purpose and values. Likewise, organizations are contemplating their role in society and their relationship with their workers – with some leaning in and others backing away.'

Deloitte 2021 Human Capital Trends Report July 2021

Deloitte survey excerpt: Global human capital trends

Deloitte produces a major survey of human resource management professionals across the globe from which they report global human capital trends. The focus of the 2021 report couldn't be more timely.

Titled *The worker-employer relationship disrupted*, the report opens with this proposition:

'The pandemic strained and tested the worker-employer relationship beyond anyone's anticipation. Going forward, thriving in an uncertain future depends on having a compelling vision for where that relationship should go.'

Deloitte

Work as fashion: In a “work as fashion” future, employers are in constant motion as they chase worker sentiments, competitor actions, and marketplace dynamics. The worker-employer relationship is reactive: Employers feel compelled to respond in the moment to workers' expressed preferences, and to competitor moves, without connecting those actions to a sustainable workforce strategy.

The “work as fashion” future is transitory and constantly changing. It's akin to how brands introduce new clothing collections seasonally and cyclically, moving them rapidly from runway to retail to capture consumers' fleeting attention and desires. It's a self-perpetuating cycle in which the latest trends substitute for a sustained strategy.

War between talent: In a “war between talent” future, workers compete for limited jobs due to an oversupply of talent. The worker-employer relationship is impersonal: Employers view workers as interchangeable and easily replaceable, and workers are more concerned with competing with each other for jobs than with the quality of their relationship with their employer.

Work is work: In a “work is work” future, workers and employers view organizational responsibility and personal and social fulfillment as largely separate domains. The worker-employer relationship is professional: Each depends on the other to fulfill work-related needs, but both expect that workers will find meaning and purpose largely outside of work.

Purpose unleashed: In a “purpose unleashed” future, purpose is the dominant force driving the relationship between workers and employers. The worker-employer relationship is communal: Both workers and employers see shared purpose as the foundation of their relationship, viewing it as the most important tie that binds them together.

Discussion topic



How do these themes relate to the context in Australia, if at all? While they describe the employment landscape more broadly, how do they impact young people?

McKinsey report summary: Work, workplace and skills

Another factor shaping the conditions in which Australian employers face some important choices about their relationship with young people is the analysis of the changing nature of work, of skills and of workplaces.

Those choices are directly affected by the kind of workplace, and the kind of work and work skills, those young people and their employers are going to need to engage effectively to thrive.

A 2019 report from McKinsey stands as a useful pointer to the kind of research that attempts to map an emerging work and skills landscape. [McKinsey 2019]

The report infers the type of high-level skills that will become increasingly important. It is a trajectory that reinforces ‘the need for manual and physical skills, as well as basic cognitive ones, will decline, but demand for technological, social and emotional, and higher cognitive skills will grow.’

The research identifies a set of 56 foundational skills, which are dubbed DELTAs or ‘distinct elements of talent’ that will benefit all citizens. It shows that higher proficiency in these DELTAs ‘is already associated with a higher likelihood of employment, higher incomes, and job satisfaction.’

The research recognises that some work will always be specialised. But it points out that, “in a labor market that is more automated, digital, and dynamic, all citizens will benefit from having a set of foundational skills that help them fulfill the following three criteria, no matter the sector in which they work or their occupation:

- Add value beyond what can be done by automated systems and intelligent machines
- Operate in a digital environment
- Continually adapt to new ways of working and new occupations.’

The McKinsey research also notes that holding all variables constant – including demographic variables and proficiency in all other elements – employment was most strongly associated with proficiency in several DELTAs within the self-leadership category, namely “adaptability,” “coping with uncertainty,” “synthesizing messages,” and “achievement orientation”. These are many of the attributes that the employers in this study suggested they looked for in potential employees, including young people.

The charts within this report summarise the DELTAs and provide an illustration of the way new work skills can be broken down in more detail to make them more practical as a guide to what these skill areas imply by specific capabilities.

56 DELTAs¹ across 13 skill groups and four categories

Cognitive		Interpersonal	
Critical thinking <ul style="list-style-type: none"> ● Structured problem solving ● Logical reasoning ● Understanding biases ● Seeking relevant information 	Planning and ways of working <ul style="list-style-type: none"> ● Work-plan development ● Time management and prioritization ● Agile thinking 	Mobilizing systems <ul style="list-style-type: none"> ● Role modeling ● Win-win negotiations ● Crafting an inspiring vision ● Organizational awareness 	Developing relationships <ul style="list-style-type: none"> ● Empathy ● Inspiring trust ● Humility ● Sociability
Communication <ul style="list-style-type: none"> ● Storytelling and public speaking ● Asking the right questions ● Synthesizing messages ● Active listening 	Mental flexibility <ul style="list-style-type: none"> ● Creativity and imagination ● Translating knowledge to different contexts ● Adopting a different perspective ● Adaptability ● Ability to learn 	Teamwork effectiveness <ul style="list-style-type: none"> ● Fostering inclusiveness ● Motivating different personalities ● Resolving conflicts ● Collaboration ● Coaching ● Empowering 	
Self-leadership		Digital	
Self-awareness and self-management <ul style="list-style-type: none"> ● Understanding own emotions and triggers ● Self-control and regulation ● Understanding own strengths ● Integrity ● Self-motivation and wellness ● Self-confidence 		Digital fluency and citizenship <ul style="list-style-type: none"> ● Digital literacy ● Digital learning ● Digital collaboration ● Digital ethics 	
Entrepreneurship <ul style="list-style-type: none"> ● Courage and risk-taking ● Driving change and innovation ● Energy, passion, and optimism ● Breaking orthodoxies 		Software use and development <ul style="list-style-type: none"> ● Programming literacy ● Data analysis and statistics ● Computational and algorithmic thinking 	
Goals achievement <ul style="list-style-type: none"> ● Ownership and decisiveness ● Achievement orientation ● Grit and persistence ● Coping with uncertainty ● Self-development 		Understanding digital systems <ul style="list-style-type: none"> ● Data literacy ● Smart systems ● Cybersecurity literacy ● Tech translation and enablement 	

¹Distinct elements of talent.

Insights from the research

Employers, educators and intermediaries have been exploring and prototyping new approaches to engaging with young people around the gaps and opportunities. Whilst a range of exciting initiatives are emerging, they are inconsistent and fragmented across the country, with little coordination of efforts. There's inevitably a spectrum of attitudes, that present themselves when talking to employers.

From this:

'I love employing young people; they see the way society is heading; we need to give young people a good start and basic skills. But the truth is that sometimes we need someone quicker and other approaches take more time.'

'They are open to learning...not being prescriptive around what is expected in a role .. flexible and willing to shape a role to realise its potential through experience and trying things out.'

'Don't let them get bored ... test them out .. give them room to move and prove themselves .. they have a different view of the world than others ... they bring a fresh set of eyes to problem and challenges ... use that to test new approaches ... don't close them down; you have to harness the energy and passion and enthusiasm and "I can do anything" without closing it down or missing the opportunity.'

To this:

'Bluntly, [the enterprises we invest in] don't feel a responsibility to develop younger people; they are responsible to their mission and their workforce and they need to hire the very best people they can find to meet their mission and their goals. Individually they might care but they are not going to hire someone with lesser ability because of some wider social responsibility. It's not lack of interest or empathy, it's recognising the pressure of being successful in business.'

'After 20 years of learning, why are they not ready to work straight away? Surely that's their job (schools and universities) to make sure students are productive, even if they need a bit more knowledge and experience and training ... often they are miles away from being work ready ... personal ,emotional ,professional... just not there.' And similarly – "there is a growing divide between things we need from them in the workforce compared to what they are coming out with.'

The following captures a sense of what employers are thinking and feeling about the employment landscape in Australia – taken from our survey and interviews. These notes will inform discussions between Learning Creates and others as we map a full spectrum of emerging themes beyond the extremes indicated above.



Comments on what employers want to be able to find, access, recognise:

- Attitude or motivation was the most consistent response mentioned in recruiting young people.
- Many listed demonstrable experiences outside of academia as important in making an assessment about younger people.
- The three highest 'scores' for attributes for assessing young people as part of the recruitment process were personal attributes, things they have done outside of education and formal qualifications.
- Although there are variations on the theme, the characteristics of "basic work skills" or "employability skills" for young people that employers need and look for are well known and widely rehearsed. They are a mix of dispositions including reliability, a positive attitude, willingness to try and readiness to learn as well as good communication, problem solving and the willingness to work in teams.

Opportunities, ideas and a sense of the change ahead:

- The most consistent opportunity was young people's ability to learn; respondents also highly rated the opportunity young people bring with new ideas and perspectives. Many respondents identified energy, passion, enthusiasm as opportunities provided by young staff.
- The three most common reasons selected as the reasons an employer might choose to employ a young person over someone older and more experienced were ability to train them rapidly, their willingness to learn and it was an important part of my role as an employer.
- Where the employee-employer relationship is purposeful, it reflects a commitment to finding ways to make the organisation more attractive to young people through a combination of early engagement and recruitment, support, learning and mentoring and a willingness to give younger workers room to add their value and contribution. The whole point of the approach is to retain the young people they recruit to maximise their longer term value to the business (which includes recognising their value and attraction to other employers).

- In one organisation, half the employees are under 30 and there is a clear sense the organisation is "building the next generation of leaders" through mentoring and as an act of "building pollen across the sector."
- There is a range of different approaches to using specific techniques, often including the expertise of third party specialist organisations, to improve the rate and success with which organisation employ young people who have experienced adversity or been disadvantaged by the current systems
- There was some reflection on the "forces of capitalism" driving a new interest in connection and community, in ethics and a sense of larger purpose, a set of priorities that could play out in where younger people want to work, how they want to work and what kind of work environment they might be seeking.
- Getting the most from younger employers reflected an attitude and mindset that was clear about the long term value to the organisation; bringing younger people on with a sense of development and purpose can be more rewarding than working with "older people set in their ways."



The challenges, barriers, problems and frustrations:

- The most common challenge listed was the difficulty in creating both the right role fit for young people and the career growth for them within their organisation
- Several respondents went into a fair bit of detail around the reliability of young people at work or to work consistently.
- Another group of respondents identified a lack of basic skills as a challenge and the cost of developing those skills as burdensome.
- The most common response to the key challenge for employing young people from diverse background was the need for dedicated investment in recruitment, professional development and organisational culture to ensure diverse young people are welcomed and setup for success.
- Many responses also identified the resourcing required for work placements was high and didn't often make sense to invest in. Several responses went into a lot of detail around the significant administrative burden and lack of a coordinated approach to work placements across sectors and within their own organisations
- In some cases, the relationship remains hostage to the dominant concern with business and commercial requirements which often don't leave much room for the time and effort required to recruit, train and support younger workers.
- The "basic work skills" dimension of younger workers – or, more particularly, their perceived absence – was a constant refrain from many of the employers, and it covers issues like reliability, punctuality, communication, the ability to solve problems they won't have encountered before and getting on in a team environment.
- Some of the interviews touched – negatively – on the state of careers advice and counseling in schools. It too should be more closely aligned with, and exposed to, current and evolving conditions for employers to get a better "line of sight" from work conditions and opportunities to the way schools prepare young people for the transition into work.

Two final discussion points:

Not all managers in an organisation have the knowledge, skills or confidence to know how to make the most of having a young person in their teams. They often need coaching and support to fulfill that role. That point was broadened by some who noted that too often employers are left to their own devices, without access to knowledge about how to put effective programs together to help integrate younger people into the work place.

Could there be merit in common platforms of advice and assistance for businesses and organisations to accelerate and strengthen the development of effective employment pathways for young people? This could enable more effective ways to identify skills, recruit and develop capabilities.

