

# Spotlight article

## Labour Market Focus

### Youth unemployment initiatives and the impact on disadvantaged youth

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#### Executive Summary

Young people, particularly from disadvantaged backgrounds, can become trapped in unemployment or 'poor jobs'. This article outlines findings from two Scottish case studies of third sector run employability programmes aimed at getting disadvantaged young people, aged 16-25, back into work. Four key approaches were identified as contributing to the success of the programmes: addressing the wider barriers facing young people; providing appropriate support and engaging with young people; developing aspirations; and educating young people about work.

#### Introduction

Unemployment can have a long lasting impact on a young person's future career prospects and earnings potential. Those who have been unemployed in their youth experience long-term negative impacts on their career development, earnings, wellbeing and health (Hammarström & Janlert 2002; Bell & Blanchflower 2011; Dieckhoff, 2011). These effects can be felt for many years with individuals experiencing the 'scar of youth unemployment' when they are in their 40s (Gregg & Tominey 2005). Furthermore, young people, particularly from disadvantaged backgrounds, can become trapped in 'poor jobs' or 'poor work' throughout adulthood (Green & Owen 2006; MacDonald 2011).

#### The rise in youth unemployment

The effects of the recession on young people in the UK and the rest of the EU have been dramatic with perhaps the greatest significance being the increase in youth unemployment. In the UK those in the 16-24 age group have seen the greatest rise in unemployment with rates of 20.5% in September 2011 compared to 4.7% for the 50-65 age group and 6.2% for the 25-49 age group (see Figure One below).

**Figure One: UK unemployment rate by age October 2006- September 2011**



Source: NOMIS, Annual Population Survey

A number of reasons can be identified for the increase in youth unemployment including: the general contraction of the economy and labour market; reluctance of employers to take on new employees; and the overall increase in competition for a decreasing number of jobs (Oxford Economics, 2010; McQuaid, Egdell, Hollywood 2010). Those young people who do find employment are more likely to be employed on temporary contracts and their transitions into work may be fragmented (UKCES 2011; Quintini et al. 2007). These factors present problems for all young people trying to take the first steps in the labour market but particularly for those facing the greatest labour market barriers such as: those who have been in care; young parents; those with caring responsibilities; those with disabilities; young offenders; and those with mental health issues; all of whom are less likely to make successful transitions (Scottish Government 2009; Bynner & Parsons 2002). It is these groups of young people that are at most risk from long-term inequality in the labour market.

The economic crisis is testing the effectiveness of employment strategies for young people and key to addressing inequalities in the employment of young people is to identify those strategies which work best in getting them back into work. Across the EU, Active Labour Market Policies (ALMPs) have increasingly endorsed a Work First approach by promoting supply side measures through skills development (DWP 2007; Lindsay, McQuaid, Dutton 2007; HM Government 2010) and on compelling the unemployed to find any job as quickly as possible (Daguerre and Etherington 2009). This article presents findings from a case study of two employability programmes that can be seen as representing a move away from solely 'Work First' approaches to approaches that take a more 'holistic' view of employability (McQuaid and Lindsay 2005) by taking into account the wider barriers and issues that face disadvantaged young people. These findings are part of a European funded 7<sup>th</sup> Framework research project called 'WorkAble' that examined transitions made by disadvantaged young people across 12 EU member states.

## Research Methods

The case study research methods involved semi-structured interviews with managers, project workers and young people in two third sector run employability programmes operating in Scotland.

Both the case study programmes focused on supporting disadvantaged young people, aged 16-25, who faced a number of barriers to employment. The young people that the programmes targeted were those that would be unlikely to gain employment without additional support.

Although both programmes focused on getting disadvantages young people into employment their methods of delivery and scope differed. Programme 1 provides supported employment for disadvantaged young people aged 16-24 years, and is delivered across urban, semi-rural, and rural areas. The programme lasts six months and provides an induction period followed by supported work placement with an employer. Generally in the first half of the programme there is no wage cost to the employer and in the last half the programme supports half the wage cost and the employer pays for the other half.

Programme 2 is a voluntary programme that offers intensive training and work experience in specific sectors to those aged 16-25 years who are unemployed. Courses are run throughout the year in different urban areas of Scotland. The length and structure of the course varies by sector, with the course length ranging from five to ten weeks.

## Key Findings

The core aim of both the programmes was to get disadvantaged young people into employment and our analysis identified four key approaches, shared by the two programmes that contributed to their success.

## 1. Addressing wider barriers

The programme did not just seek to develop young people's employability skills but also sought to address the wider barriers that prevented them getting into work such as homelessness and housing difficulties; self-esteem; health issues; and caring responsibilities (including for own children; siblings, parents with illness/disability). Some of the typical barriers facing the young people are outlined in Table One.

**Table One: Barriers Facing Young People**

Typical barriers facing young people
Lack of skills and experience
Long term unemployment
Negative experiences of school
Lack of careers advice from school
Literacy and numeracy support needs
Lack of self-belief
Lack of confidence
Lack of coping mechanisms
Lack of aspirations
Lack of encouragement from family and peers
Lack of role models
Mental health problems/physical health problems
Substance misuse
Youth offending backgrounds
Debt
Housing
Conditions in the external labour market
Welfare changes

It was perceived by the programme workers that this approach was necessary in order to give young people a realistic chance at finding and sustaining employment.

*"yeah you could get the job but you're not going to keep it because there is all this stuff happening in your life so let's sort out the stuff in your life and then get a job...the jobs is what happens when everything else is in place really"* (Programme manager)

For example, if a young person came to the programme with housing problems they would help them address these issues first by referring them to relevant agencies. Without addressing these wider issues the young people would potentially not be able to sustain employment.

## 2. Providing appropriate support and engaging with young people

The type and level of support offered to young people by the programme workers went beyond providing job search support or training. For example, the programme staff spoke of the support they provided with often taken-for-granted issues (e.g. helping young people to wake-up in the morning, helping pay for travel, planning travel routes to work, attending health care appointments with the young person) that were central in enabling vulnerable young people to attend their work placements.

*"We would phone them at 6 o'clock in the morning for the first week or whatever, or if they don't answer then we will drive to their house, and we will buy them an alarm clock, we will do all sorts of things which is just really pragmatic stuff"* (Head office)

Related to the support provided for the young people was the ability of the programme workers to engage with them. The young people reported that the project workers *"actually listened"* and wanted to get to know them. The participants on the programmes did not necessarily have any support and encouragement from their families and peers, and many lacked role models. The programme workers therefore offered help and

encouragement to the young people that were not necessarily available elsewhere. This encouragement could take many forms including simply contacting the young person at the end of the working day to see how their day had been.

The supportiveness of the employers was also important when programme staff were deciding who to approach for job placements. There can be a reluctance amongst some employers to make placements available, especially if they thought they were being asked to *“take a chance on a young person”* (Project worker), when they could advertise the job and receive a high number of (probably higher calibre) applications. The staff stressed that: employers needed to offer a nurturing environment (but while also realising that employers needed to prioritise business demands); be aware that the young people faced barriers; and be aware that the programme was a learning process for the young person.

*“it’s not just about finding employers who will give a job, it’s employers who can understand and see the needs, maybe nurturing the young people a little bit and we will get them there and we will get good employees at the end”* (Service manager)

### 3. Developing aspirations

As part of finding work, both programmes also wanted to develop the aspirations of the young people and provide a supportive environment where young people can find out what *they* wanted to do. From the interviews, it was clear that many of them did not know what they wanted to do when they left school. Although this is not necessarily unusual for this age group, it highlighted a lack of role models and encouragement to help them develop their aspirations both at home and in school.

*“I never had any ambition when I was a school because of where I live and the environment I was in at the time; I never really had any ambitions”* (Young female)

Through the programmes young people were encouraged to think about what kind of work placements they went on. Programme staff were keen to challenge some of the young people’s aspirations by questioning them about their motivations in order to broaden their horizons. It was felt that the young people’s aspirations were often very narrow, shaped by a lack of exposure to the world of work (e.g. living in second/third generation workless families or only knowing people working in a limited range of occupations) and as a result the young people did not realise that they had a range options open to them. In addition the gendered nature of the aspirations of the young people was cited by some of the staff with the young women often only wanting to work in traditionally female occupations, like hairdressing, and young men often only wanting to work in traditionally male occupations, like construction.

### 4. Educating young people about work

Many of the young people lacked work experience and/or came from workless households and therefore had a limited understanding of what working entails *“so it’s a little bit of learning for them about the usual norms and expectations, making them clear about the needs of employers”* (Service manager). The programmes aimed to help young people develop a range of work related skills such as professionalism, time keeping, team work, and how to learn and move on from mistakes made in the workplace. The education, training and preparation during the programmes also helped young people see the value of work. Some of the young people mentioned the rewards they had experienced as a result of working e.g. having more money to socialise and having a routine, purpose and structure to their day.

*“Getting that motivation, getting the self belief back, showing them what it’s like to do something as well and giving them that purpose. You know it’s not just about sitting about, people do believe in you and you know go and do this”* (Project worker)

The programme also aimed to help young people to have realistic expectations of work. This is particularly

relevant as the young people may experience a drop in income as they make the transition from benefits to wages, so there was no financial gain (in the short term) from finding paid employment. The programme therefore sought to encourage feelings of the wider benefits and enjoyment of working.

## Conclusions

Specific interventions that worked well for both programmes were those that engaged with the young person at an individual level to identify and address particular barriers to employment rather than a broad brush approach. More generally the success of the programmes can be attributed to their focus on getting young people into work (whether that means addressing their housing issues, boosting their confidence or providing support) and also an expectation of motivation and commitment from the young people themselves. Where the programmes could have done more was in offering more 'aftercare' once they had completed the programmes. Both programmes stated that a lack of resources meant that it was difficult to follow up all those who have been on their programmes but it was something they want to do in the future. Clearly having information on the long term outcomes of employability initiatives is of immense value in assessing their impact.

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