



AN AGE OF UNCERTAINTY.

Young people's views on the challenges
of getting into work in 21st century Britain.

September 2016

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FOREWORDS

LOUISE COLES



Louise Coles

Youth Panel member of EY Foundation
Aged 18



More needs to be done for young people, especially from lower socio-economic backgrounds. It is really hard to get good-quality work experience when you don't have the connections, and even harder if you don't know the options available to you.

GETTING INTO WORK IN 21ST CENTURY BRITAIN

I'm Louise and I have just finished studying at Sixth Form in the North East of England. I was so glad to be asked to give my views on this report and to reflect on my own experiences of work.

It's really important that young people's views are heard and that we can be honest about what experiences we are having when it comes to getting work and careers. This includes all of the things that can influence us – where we live, who we know, what we learn – and how this makes us feel about our futures. So when I heard that CMI and the EY Foundation were going to give 1,500 young people a voice on what to us are massive issues I was really pleased – at last these issues are being addressed.

The report reflects what I have found at my school – they often prioritised going to university. We had lots of assemblies that were always about university, but we didn't have any on apprenticeships or work experience opportunities. So it's not surprising to hear that the majority of young people say that their school provides information about going to university, while under half say they get updates on apprenticeships.

The report also shows that getting good work experience is not always about what you know, it's about who you know, which is not that surprising. But what is surprising is that so many people get work experience through their school. For me, at school, work experience was secondary to getting good grades – I was always told that you won't get a job if you don't get the grades.

After Sixth Form I was planning on going to university – that is what was expected of me. Then my grandparents talked to me about how university isn't like what it was 40 years ago – I realised it doesn't set you apart anymore. So I decided to do an apprenticeship, although I've secured an unconditional offer at university just in case! What I realise is that it is important to have a range of options available and that there is not just one route into a career.

The way I found out about what it's like to go to work and the range of career options out there was through the EY Foundation's Smart Futures programme. The EY Foundation provides the right information to young people like me, so that we can make the right choices about the future.

More needs to be done for young people, especially from lower socio-economic backgrounds. It is really hard to get good-quality work experience when you don't have the connections, and even harder if you don't know the options available to you.

I believe that we need to remove these barriers for all young people. We need the right information to make the right choices, more opportunities for paid work experience and the chance to learn about different career pathways. And we need to remove the stigma over apprenticeships – they should be recognised as equal to a degree.

ANN FRANCKE



Ann Francke MBA CMgr CCMi FIC
Chief Executive, CMI



Businesses will sink or swim based on how well they attract the most talented, and how well they tap into the diverse abilities of young people from all backgrounds.

It was clear to us in the Commission on the Future of Management and Leadership in 2014 that developing people's potential is one of the defining characteristics of great management and leadership. That means not only helping existing employees to grow, but working with young people in education and as they transition into work.

As we know, the UK will need a further 1.9 million managers by 2024.¹ This means developing the next generation of managers and leaders is more important than ever – not just in helping individual businesses grow, but to help UK Plc bridge its productivity gap too.

Enlightened employers know that developing young people isn't just the right thing to do – it's key to their ongoing business success. Businesses will sink or swim based on how well they attract the most talented, and how well they tap into the diverse abilities of young people from all backgrounds.

The next generation of talent is drawn to employers who are willing to invest in their development. Yet our 2014 research found that one in five managers say their organisation either doesn't offer opportunities for young people to gain practical experience and skills, or does so poorly. A further 35% acknowledge their organisations could be doing better.

This generation of young people is entering an age of enormous uncertainty. Employers and educators need to work together to help them to develop practical management and leadership skills from a younger age. Giving young people better insights about work will help them make better choices about their education and career paths. Only then are we giving our young people the best possible opportunities.

CMI is deeply committed to helping realise the potential of our future leaders and managers. I'm proud of our work in the last two years with leading employers, helping create new Trailblazer Apprenticeships in management and leadership, which provide brilliant new progression routes into and through the profession. This report reinforces that these routes are something young people are eager to embrace.

And I'm delighted to have partnered with the EY Foundation both on this report and in accrediting its inspiring programmes for young people from disadvantaged backgrounds.

We hope you'll join us in making the effort to ensure we give the next generation the opportunities they deserve and in doing so ensure we are developing the workforce of the future.

As leaders, we could hardly face a more important challenge.

¹ Working Futures 2004-2014, UK Commission for Employment and Skills, 2016

MARYANNE MATTHEWS



Maryanne Matthews
Chief Executive, EY Foundation



We must ensure that the employability and skills agenda is part of every school's curriculum, every employer's business growth and talent model, and every local, and central government's skills and young people agenda.

Ensuring that the voices of young people are being heard, and providing access for them to local employers is a core part of our philosophy at the EY Foundation. It is why this report is so important, because it embodies the commitment we have made to young people to put their views at the heart of our work – to drive change that will create action that we hope will improve their working prospects and consequently their lives.

This report is a candid snapshot of the experiences young people have had of the workplace and of their hopes and aspirations for the future, in an age of uncertainty.

What is clear to me, both from this research and from conversations I have with the young people on our programmes, is that experiences of work are highly valued. They give young people confidence and a sense of achievement. Young people tell us that they would like more opportunities to meet employers, to learn more from them, and to understand the workplace and what their own place in it might be.

Yet there is a disconnect for young people today between having an experience(s) of work and the confidence to get a job – not just any job, but a job that they would actually like to do. And our research shows that this is even harder if you are young and from a low-income household. It means you are most likely to be dependent on schools to be really good at offering guidance and advice, because this is where you receive most information from about careers and work. These young people need reliable information and better support.

We know that there are many employers across the country who are doing some great things for young people and offering inspiring experiences of work. We also know that many schools do an excellent job in creating these opportunities for their students. The

problem seems to lie in the continued fragmentation of these efforts, and that not every young person, in every region across the UK, has the same systematic and high-quality experiences of work with local employers. Without this, how can young people across the UK hope to get the right job, and how can employers hope to get the right talent to grow their businesses?

We need greater levels of collaboration to fix this: charities like the EY Foundation and professional bodies like CMI, schools/colleges, parents/carers, government and employers working in joined-up ways across the regions to create change that benefits young people, employers and the UK economy in terms of the skills agenda.

For example, we believe that every workplace experience should be a high-quality learning experience for a young person and meaningful and impactful for them and the employer staff members involved. The programmes that we run, which are accredited by CMI, are just one example of how we are seeking to address this challenge and deliver this quality (see page 25).

We must ensure that the employability and skills agenda is part of every school's curriculum, every employer's business growth and talent model, and every local, and central government's skills and young people agenda, and that parents/carers are well informed to help their children make choices. We need to come together to help our young people navigate through uncertain times, and give them more certainty that they can succeed and that their working lives can be good and fulfilling ones. The EY Foundation and CMI are committed to achieving this and we would like you to join us.

ACKNOWLEDGEMENTS

We would like to thank every single one of the 1,510 young people who made the time to provide honest and candid views about what they think about the workplace, the skills that they learn, the influences on the choices they make about jobs and careers, and their hopes for the future.

Their voices are a powerful force for change that can shape improvements for future generations in what are uncertain times for many young people in Britain today.

A very special thank you also to the alumni and prospective participants in Campus CMI (organised by StudyFlex), as well as members of the EY Foundation Youth Panel, who all helped to shape the questionnaire, in particular Marlene Abeling, Chris Achiampong and Louise Coles.

And, finally, we would also like to thank the members of the Research Advisory Group, who generously provided time, expertise and enthusiasm throughout the project, helping shape its design and our recommendations. Particular thanks go to its chair, Patrick Dunne CCMI, for his ongoing support and guidance.

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INTRODUCTION

About this report

We wanted to hear directly from young people about what they thought and had experienced when it came to making decisions about their careers, their workplace experiences to date and their ambitions for the future. Why? Because young people need to have more of a voice in debates about their future jobs and careers. The CMI and EY Foundation share a common agenda around ensuring that all young people get access to the right skills, training and opportunities to enable them to have good prospects for their working lives.

We surveyed 1,510 16-21-year-olds from across the UK in depth about their views and experiences. The results provide fresh insights and pragmatic suggestions to help strengthen the connections between schools and the workplace. Their views were sought prior to the EU referendum.

The survey was carried out by Populus and was shaped by prior interviews with an additional group of 10 young people, exploring at length their attitudes to work and their careers. We also spoke with many more young people through the Campus CMI programme and EY Foundation's Youth Panel. Excerpts from these interviews are included throughout the report, providing a strong voice directly from young people.

We also carried out case study interviews from employers across the UK about the workplace experiences they offer to young people. These interviews are available in full online – see the Further Resources section (page 35).

For more information on the research methodology and the terminology used throughout this report, please see the Appendices.



The CMI and EY Foundation share a common agenda around ensuring that all young people get access to the right skills, training and opportunities to enable them to have good prospects for their working lives.



It's hard for employers, the education sector and parents/carers, but most of all it is hard for young people. We owe it to them to work together to come up with a better, more systemic solution to tackling the skills gap in the UK today. We need to ensure that all young people, especially those from disadvantaged groups, get the right access to the right experiences while they are still in school, helping them to make more informed and better choices about their working futures.

Patrick Dunne

Chair, EY Foundation and Chair, Board of Companions, CMI

The context

This research was carried out in an environment where many young people aren't getting access to enough of the right skills, training and opportunities they need to transition into jobs and successful careers.

There are 865,000 young people (aged 16 to 24) in the UK who are not in education, employment or training (NEET). This equates to around 12% of all young people.² Depending on where in the country you live, the situation is often worse, according to economic analysis by EY and the EY Foundation on youth employment (see expert view on 30).³

The demand for skills is rising fast. As many as 91% of employers face recruitment problems today⁴ – while the number of businesses “not confident” that there will be enough people available in the future with the skills to fill high-skilled jobs has reached an all-time high of 69% by one count.⁵ Demand for key skills is only set to grow – notwithstanding poor growth projections for the UK economy in the wake of the EU referendum. In the management profession alone, the UK is forecast to need 1.9m new managers by 2024.⁶

With a commitment to developing the potential of the next generation identified by CMI and the Commission on the Future of Management and Leadership⁷ as one of the hallmarks of great leadership, this should be a significant concern to employers.

There is a direct correlation between employer interactions with young people while they are still in school and their prospects. According to the Education and Employers Taskforce,⁸ the number of employer contacts such as careers talks or work experience that a young person gets in school (between the ages of 14 and 19) increases confidence to achieve career goals, reduces the likelihood of a young person becoming NEET (at 19-24) and improves their salaried earnings. This clearly points towards the tangible actions that employers can take to improve their chances of recruiting a more highly skilled workforce.

Similarly, the Gatsby Foundation has highlighted that consistent, quality experiences of the world of work form a series of essential building blocks and provide a “positive impact of work experience in giving pupils a more realistic idea of the workplace”.⁹

In order to improve the transition from school to the workplace, it is clear that young people need the right information and the right experiences to make the right choices about their future. Young people shouldn't have to get lucky when it comes to getting access to good opportunities.

Of course, recognising the need to get more young people into high-skilled jobs and bridge the UK's skills gap does not diminish the challenge of finding workable systemic solutions. But we believe that the views of young people – as expressed in this report – can provide insights and point to specific areas of focus for employers, education, parents/carers and government to work together. Coherent national solutions, locally and regionally tailored as appropriate, can provide all young people with the good prospects they deserve and help employers to find the employees of the future.¹⁰

² Office for National Statistics (ONS) Statistical Bulletin: Young people not in education, employment or training (NEET): May 2016

³ The employment landscape for young people in the UK: challenges and opportunities, EY in association with the EY Foundation, August 2016

⁴ National Management Salary Survey 2016, XpertHR/CMI, May 2016

⁵ CBI/Pearson Education and Skills Survey, July 2016

⁶ UKCES Working Futures 2014-2024, April 2016

⁷ Management 2020: Long-term leadership to unlock growth. The report of the Commission on the Future of Management and Leadership, CMI, 2014.

⁸ It's Who You Meet: why employer contacts at school make a difference to the employment prospects of young adults, Dr Anthony Mann, Director of Research and Policy, Education and Employers Taskforce, February 2012

⁹ Gatsby Foundation, Good Careers Guidance, 2013

¹⁰ See expert view from Mark Gregory, Chief Economist, EY, page 30

EXECUTIVE SUMMARY

This report provides powerful insights into the views of today's 16-21-year-olds on work and their future careers: it is a candid snapshot of the experiences they have had in the workplace and of their hopes and fears for the future, in an age of uncertainty.

1. Young people need more experiences of work and chances to develop key skills.

- While most young people have had some experience of work, 56% think it's difficult to get the sort of experience needed to get a job they want. 88% call on employers to offer more work experience.
- It appears that work experience through schools is becoming rarer, having been made non-compulsory – only 51% of 16-18-year-olds say their school offers work experience, compared to 64% of those now aged 19-21. This is concerning for all young people's work prospects, but it is particularly bad for those from disadvantaged backgrounds.

2. Young people want to be the leaders and managers of tomorrow.

- Nearly two-thirds of young people (63%) are interested in leading a team, 40% would like to become the boss of a company and 37% are attracted to the idea of starting their own business.

3. The career choices that young people make are being influenced by parents/carers and teachers.

- Parents/carers are by far the most common sources of advice on jobs and careers, with employers much less prominent: only 56% of young people say that employers have come into their school to talk about opportunities.
- The advice available appears to favour traditional academic routes. Young people are almost twice as likely to receive information about going to university, than about taking apprenticeships – 86% as opposed to 48%. This may mean they miss out on new opportunities that combine the best of both paths, like the new degree apprenticeships.

4. A lack of knowledge about the jobs market risks undermining young people's ambitions. This is worse in some regions and for young people from poorer backgrounds.

- One in three (32%) don't feel confident about getting a job in the next couple of years.
- 35% of young people do not know about employers and jobs in their local area and, perhaps as a result, 31% don't think they can find a job (or a new job) in the area they live.

What do we need to do to address this?

We believe there is an urgent need to come up with collaborative solutions that bring employers, schools /colleges and government together, and involving parents/carers far more, to better support young people into work and the jobs they want to do. Young people should be directly involved in shaping, designing and testing those solutions.

The national curriculum is the best means to ensure that every young person in the UK gets the right support to ensure they have the best working prospects. To make this a reality we believe that a new 11-18 school-to-work syllabus needs to be created, to be designed and delivered through the national curriculum by employers and schools/colleges together, and accredited with leading bodies such as CMI. This sits at the core of our recommendations.



FOUR KEY RECOMMENDATIONS

- 1. Make sure that young people learn more about the world of work every year from 11-18 by introducing a school-to-work syllabus into the national curriculum.**
- 2. Strengthen and champion all pathways into work, including apprenticeships and entrepreneurship.**
- 3. Develop key management and leadership skills from a younger age.**
- 4. Create an employer-backed school-to-work national youth panel.**

We explore these key recommendations further on page 13.

KEY FINDINGS

Young people need the right experiences of work to get the jobs they want

Work experience isn't offered to all and access via schools is declining

- More than half of young people (56%) say it's difficult to get the right experience, which will help them get the sort of job they want. Among those who haven't had work experience, 75% would like the opportunity but don't know how or where to get it. 69% would like more support in finding it.
- Only 58% of 16-21-year-olds surveyed across the UK say their schools organised work experience. While this is still a significant number there is evidence that access to work experience is becoming increasingly restricted, with schools no longer obliged to provide placements. Only 51% of 16-18-year-olds say their school offered work experience, compared to 64% of those now aged 19-21.
- There are areas where the quality of work experience can clearly be improved, too. 56% of young people say they weren't given training while on work experience, 49% weren't told what skills they'd need to get a job in the organisation, and 25% didn't receive feedback on how they performed. Only 14% of young people who have done work experience were offered a job at the end.

Young people value their experiences of work and recognise the benefits

- The majority of young people are positive about work experience and the benefits to them. This includes improved confidence (65%), improved teamwork and communications skills (63%), and a sense of achievement (61%).
- 88% of young people say that employers need to offer more work experience – not least because they recognise that it is important to employers when it comes to recruitment (also 88%).



My school didn't offer work experience, they wanted us to concentrate on our GCSEs.

Female, Aged 19-21

I found it useful because you get involved with real life people... It's good for your CV and employers like it.

Male, Aged 16-18

Young people want to learn to lead but lack confidence in their skills

Young people want to lead

- Many young people aspire to lead: 63% are interested in leading a team and 40% would like to become the boss of a company/organisation.
- A substantial number of young people are open to becoming entrepreneurs, with 37% attracted to the idea of starting their own business.
- Significantly, however, given the current business focus on gender diversity in management, young women are less likely to aspire to lead. Only 33% would like to become the boss of an organisation, compared to 46% of young men.

Young people say that they know what skills employers are after

- Young people recognise the emphasis that employers place on practical skills, rather than just qualifications. They consider organisational skills (68%) and communication skills (65%) as very important to employers, compared to only 35% who say exam results are very important.

And yet they aren't always confident in their abilities

- However, young people are not very confident in their communication and leadership skills. Only 25% think they are very good at communicating what they think or taking initiative. Even fewer say they are very good at talking in front of a group of people (15%) or getting people to work together (14%). Young people from lower socio-economic backgrounds are even less likely than their peers to think they are good at talking in front of a group of people (38% vs 50%), or motivating other people (47% vs 54%).

The most common sources of advice and guidance on careers don't always have the right knowledge or information

Parents/carers and teachers are the biggest sources of careers advice and guidance

- Parents/carers and teachers have a critical role to play as sources of advice and guidance on work and careers. They're the most common sources of advice (for 77% and 73% of young people, respectively).
- Given the not inconsiderable influence both groups have on young people's choices, it is essential that teachers and parents/carers are well equipped to provide information about local employers, local jobs and a variety of career pathways, including apprenticeships. Offering guidance and support to teachers and parents/carers so they are better able to offer wider advice beyond their own experiences of work – which may in some cases be quite narrow – would be beneficial.
- Only just over half (56%) say that employers have come into their school to talk about opportunities. Only 18% of young people have been given jobs and careers advice by employers.

Schools promote university more than apprenticeships

- Schools are seen by young people as being focused on getting students into university, with apprenticeships often being ignored. 86% of young people say their school provides information about going to university, with only 48% saying they get information about apprenticeships.

- Perhaps as a result, young people's assessment of apprenticeships is mixed. 65% believe they offer good job prospects, but only 37% associate them with a good career. Meanwhile, 42% see them as having low status.
- With new apprenticeship models now available, such as degree apprenticeships, and the new Apprenticeship Levy due from April 2017, there is a real opportunity for employers to collaborate with schools and parents/carers to change the current perceptions of apprenticeships among young people for the better.

Confidence in getting a job is shaped by where you live and your background

- One in three young people don't feel confident about getting a job in the next couple of years.
- 35% say they do not know about employers and jobs in their local area.
- Young people from lower socio-economic groups are considerably more likely than their peers to lack confidence in getting a job locally (33% compared to 25%). Young people's confidence about their future job prospects also varies significantly depending on the area in which they live. Overall, 31% of young people say they don't think they can find a job in their area.
- Londoners are the most confident, although 24% still believe they won't be able to find a job. Elsewhere, those living in the North East and Wales (39%), the South West (37%) and the West Midlands (36%) felt this most strongly. Coupled with the fact that many young people do not know about local employers and job opportunities where they live, there is a strong argument for more local, employer-led initiatives.

RECOMMENDATIONS – JOINED-UP SOLUTIONS

The prize – every young person should have equally good opportunities to succeed in their working lives

Every young person in the UK, regardless of background, should have the same high-quality experiences of the world of work to give them equally good opportunities to succeed in their working lives. They should also have equally good opportunities to develop management and leadership skills, which are fundamental to their job and career prospects and which will eventually give them the opportunity to become the future leaders of business.

Providing these opportunities matters to employers because we know that diversity delivers results. Businesses benefit when their employees can draw on different perspectives and experiences. Delivering that diversity demands recognition that, while access to the jobs market is challenging for all young people, those from disadvantaged backgrounds consistently fare worse.

It's not good enough that some young people just get lucky. We know from the EY Foundation's involvement in the See Potential campaign¹¹ that some employers are committed to recruiting young people from disadvantaged backgrounds, but more needs to be done to ensure that young people have the right support and guidance.

We are committed to working to expand the CMI-accredited EY Foundation programmes, Our Future and Smart Futures,¹² to provide more opportunities and career pathways to these young people – but it requires a systemic national solution to provide better experiences of work to all young people.

Employers, schools and colleges and government should all be aligned when it comes to securing positive working futures for young people. Yet, as this report suggests, that prize is far from reality.



The challenge – delivering joined-up solutions with young people at the centre

We recognise that there is significant work being done on this agenda and a number of welcome policy initiatives are being put forward. But there is much more to do to bring about systemic change.

Our recommendations focus in particular on employers, as they have the opportunity to make a real difference and will benefit from developing their employees of the future. But there are other key players, and the challenge is to achieve joined-up solutions with shared accountability and action between employers and employer bodies, education, and government – as well as greater participation from parents/carers.

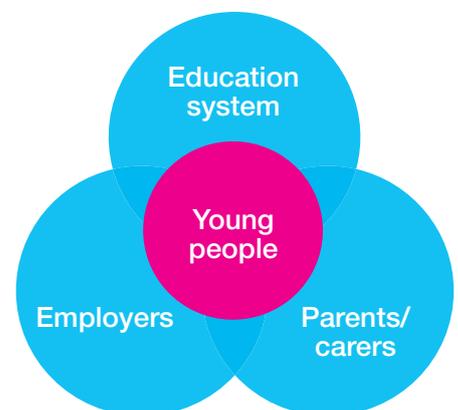


Figure 1 Joining employers, the education system and parents/ carers together to benefit young people's working prospects

¹¹ <https://www.gov.uk/seepotential>

¹² See page 25 for more on these programmes



Our recommendations focus in particular on employers, as they have the opportunity to make a real difference and will benefit from developing their employees of the future



For the first time in decades, there are more young people in poverty than there are pensioners in poverty. To solve this, we need government, businesses, and civil society to work together to prepare a new generation of young people for work in the 21st century, as work is the best route out of poverty.

Julia Unwin
Chief Executive,
Joseph Rowntree Foundation

1. Make sure that young people learn more about the world of work every year from 11-18 by introducing a school-to-work syllabus into the national curriculum which is accredited by leading bodies such as CMI.

We want employers and schools/ colleges to transform the way that they engage with each other, working jointly to deliver the school-to-work syllabus so that every young person, in every school and college across the UK, can have at least one quality experience of the world of work in every academic year between the ages of 11-18.

These experiences would range from light touch activities such as employer-speaking programmes to extended work placements aimed at developing employability skills and a greater understanding of the variety of career pathways available over time – essential building blocks for young people’s transition into work and the job they want to do.

Accrediting these activities, as CMI has done for the EY Foundation’s programmes, would further strengthen young people’s ‘work readiness’ and the quality of management in the UK workforce.

This school-to-work syllabus could integrate the excellent work done by many schools and employers now, which can be ad hoc or location dependent, and instead create a national high-quality syllabus of learning and experience of work, locally delivered and tailored over every young person’s school career.

This focus on embedding a school-to-work syllabus into the curriculum will require leadership from government and employer bodies to direct its design and implementation, buy-in from leadership within schools, and local employers to deliver it.

It’s also vital to involve parents/carers who are significant influences on young people’s experiences and choices, but often need support to understand all the opportunities that are available to their children, which extend beyond their own experiences of the workplace.

The EY Foundation and CMI will be setting up roundtables in key hubs across the UK to convene local employers, the education sector, and other key stakeholders such as local councils and Local Enterprise Partnerships to begin discussions on what a school-to-work syllabus would look like.



2. Strengthen and champion all pathways into work, including apprenticeships and entrepreneurship.

Employers and schools and colleges need to show they value diverse educational experiences and pathways into work, not just university, and champion the full range of career pathways from entrepreneurship to the new apprenticeships. Building on Alison Wolf's review of vocational education,¹³ the government has committed to delivering 3 million new apprenticeships, an Apprenticeship Levy on employers from 2017, and supporting new models like degree apprenticeships. The landscape for education and training is being transformed and information and guidance in schools for young people needs to reflect this.

CMI is fully committed to raising awareness of the new apprenticeship pathways into management as a profession and will work with employers, UCAS, careers advisory organisations and other partners like the new Institute for Apprenticeships and Technical Education to showcase young people's progression and achievements through apprenticeships.

3. Develop key management and leadership skills at a younger age.

Employers have high expectations of young people's employability skills, including the core skills of team leadership and management. All young people should have opportunities to develop these skills, which are the foundation for success at work. These practical and applied skills should be embedded in education at every level from Year 6/Primary 6 onwards.

Schools and colleges in particular should be supported to increase access to professionally accredited schemes that offer employer recognition of the management skills developed as part of a new school-to-work syllabus.

New government proposals for post-16 technical education, creating 15 new routes into employment from 2019, should also recognise skills-based subjects such as team leadership, and not focus only on knowledge-based approaches to subjects, such as business and administration.

4. Create an employer-backed national school-to-work youth panel.

We need to make sure young people's voices continue to be heard by those who have the power and ability to create change. One solution is to create a national employer-backed school-to-work youth panel.

The panel would be led by young people and be backed by employers. It could help achieve lasting change in how young people learn about and experience the world of work. This could include playing a key role in shaping the new school-to-work syllabus in the national curriculum, which we recommend above, and contributing to the development of the proposed reforms to post-16 technical education, ensuring that student voices are listened to in this area as they now are in higher education.

To achieve this, the EY Foundation and CMI will work to create a national school-to-work youth panel. We will seek support from leading employers directly and through the UK's leading business umbrella organisations.

¹³ *Review of Vocational Education, The Wolf Report*, Professor Alison Wolf, March 2010

1. YOUNG PEOPLE'S VIEWS AND EXPERIENCES OF THE WORLD OF WORK



Key findings

- Confidence in getting a job is low among young people – one in three don't feel confident about getting a job in the next couple of years.
- It's hard for young people to get a job they actually want – more than half (56%) say it's difficult to get the right experience which will help them get the sort of job that they want.
- Young people firmly believe employers should offer more opportunities to build experience of the world of work – 88% believe employers should offer more work experience.
- Young people don't know much about local job opportunities – 35% say they do not know about employers and jobs in their local area. We believe this is something employers need to take notice of when thinking about how to plug the UK skills gap.
- Connections play an important role. Young people in social groups AB are more likely to have found work experience through family or friends. Those from disadvantaged backgrounds are more likely to have gained work experience through their place of study.

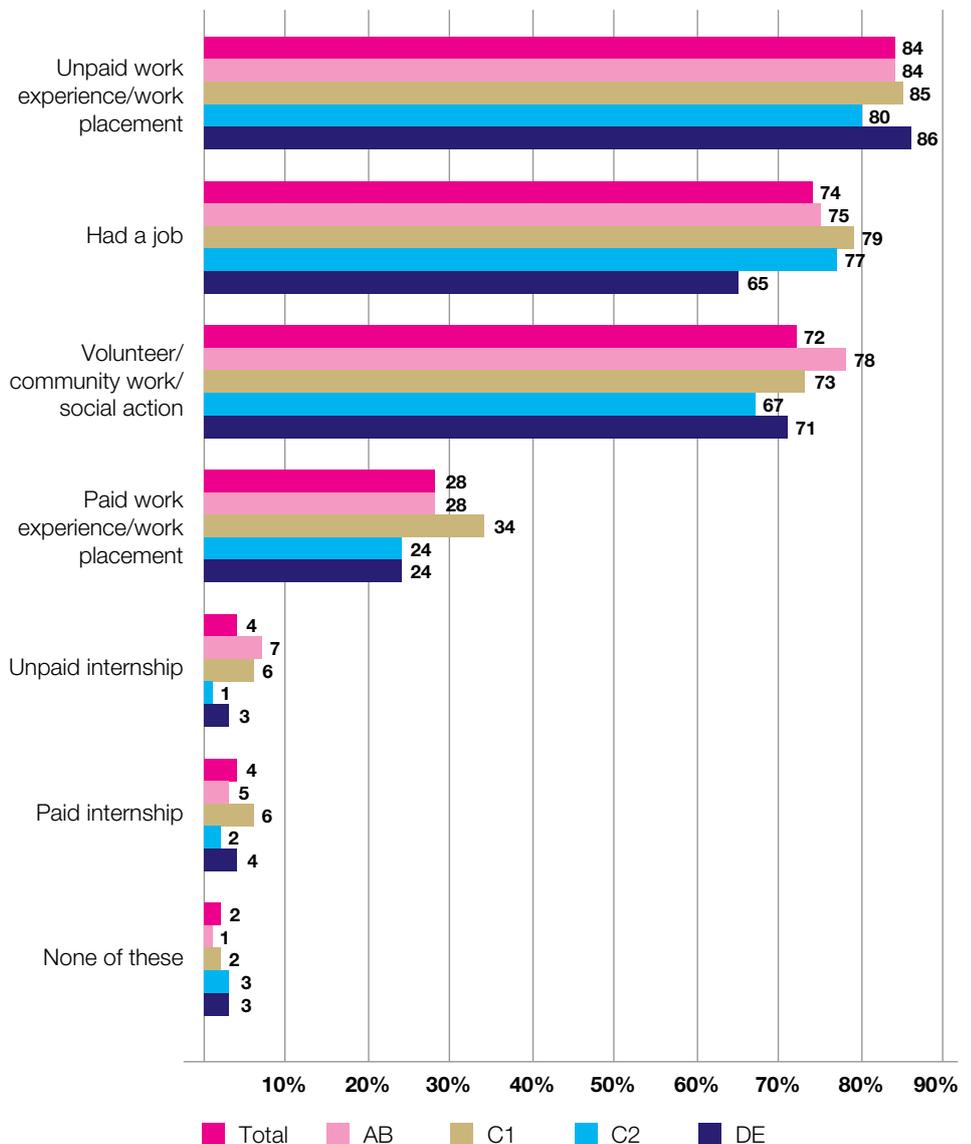


Figure 2 Experiences of work among 16-21 year olds

Getting experiences of the world of work

89% of young people who responded to our survey were in education or work, with just 6% unemployed. This accounts for why an overwhelming majority of young people interviewed (98%) aged 16-21 have had some exposure to the workplace, regardless of their background or circumstances. That includes experiences of employers giving a talk at school, a work placement, or actually having a job.

Most have completed some kind of unpaid work experience (84%), but only three in ten (28%) have completed paid work experience. Among these, 43% spent a week doing work experience, while roughly a quarter had experiences that lasted either two or three weeks (23%) or over a month (24%).

Despite this range of experiences, demand from young people for work experience remains high and they put the onus on employers to deliver this. 88% of young people believe employers should offer more work experience.

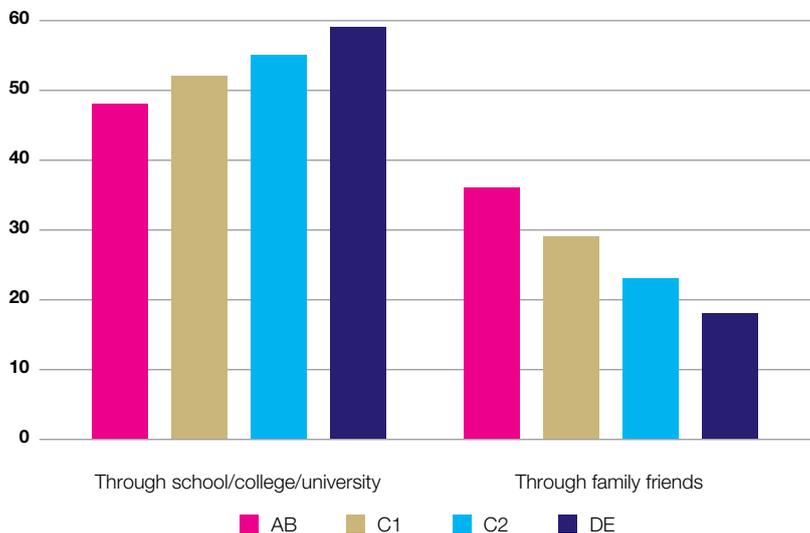


Figure 3 Routes to arranging work experience by social group



Work experience would have been beneficial. If you go straight from school into work, it would be a good way to get knowledge about what it's like.

Male, Aged 21

Only 58% of young people say school arranged work experience

School organised work experience appears to be in decline. Only 58% of young people secured a work placement through their school. The schools of those aged 16-18 in particular lack an offering of work placements: only 51% say their school offered any, compared to 64% of those aged 19-21.

Young people are also using an increasing number of other channels to find work experience: just over a quarter (26%) got it through family or friends, and one in five got their most recent work experience directly through an employer (21%).



The importance of who you know

Connections play an important role in getting work experience. Young people in higher social groups are more likely than peers to have acquired work experience through family or friends. Young people from disadvantaged backgrounds are more likely to have got work experience through their place of study. That schools organised work experience appears to be in decline is particularly concerning for young people from disadvantaged backgrounds who are more reliant on schools to broker these opportunities, versus their peers.

Those who have found work, or decided on a career path, as a result of family connections, recognise that without these connections they would have less certainty about what they want to do.

Work experience isn't open to everyone

Not everyone gets the opportunity to do work experience at a young age: 6% of respondents have not had any work experience. Almost a third of this group (31%) say they don't know what to do for their job or career, compared with 17% overall.

But that is not to say they don't want experience. Three-quarters (75%) of young people who have not done work experience or an internship would like the opportunity to do so. But around half of them (52%) simply don't know how or where to get it. 69% would like more support in finding it.

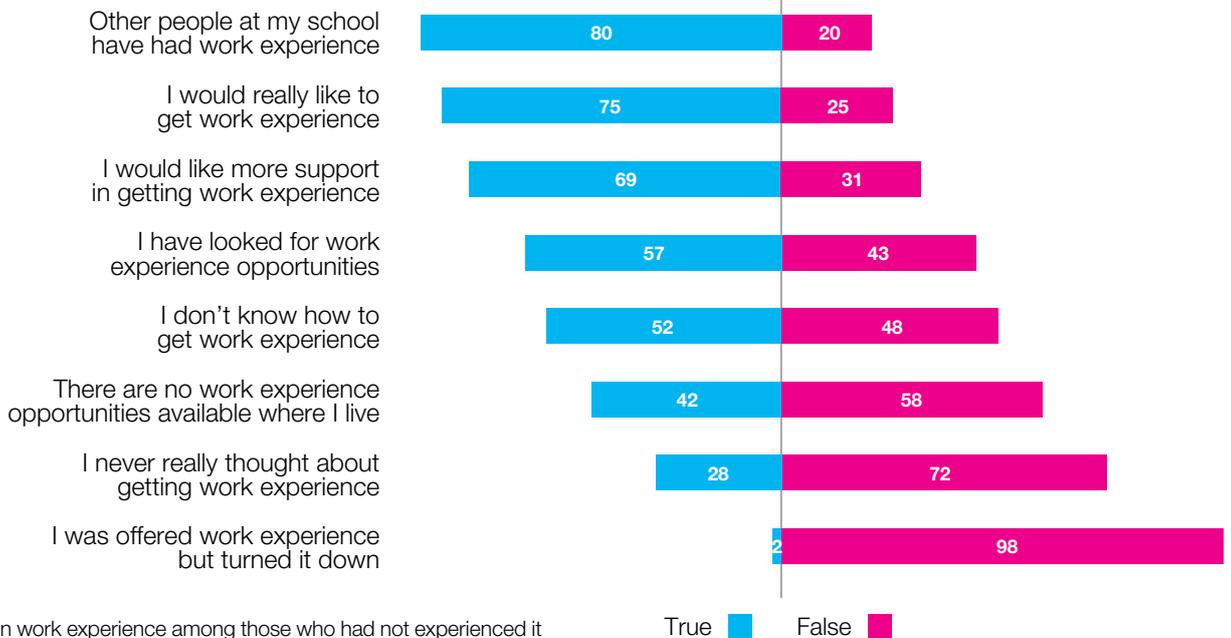


Figure 4 Perspectives on work experience among those who had not experienced it

Getting the right experience is hard

Young people have high aspirations for their future careers and feel they are studying for the right qualifications for the job they want (81%). But their optimism about achieving their chosen job is often hampered by a lack of relevant work experience.

56% of young people feel it's difficult to get the right experience that will get them a job they want. A lack of connections and low self-confidence seem to be particular barriers. The apparent lack of visibility of local employers and the opportunities they offer are also highly relevant, as we explore later in this chapter.

The quality of work experience is key

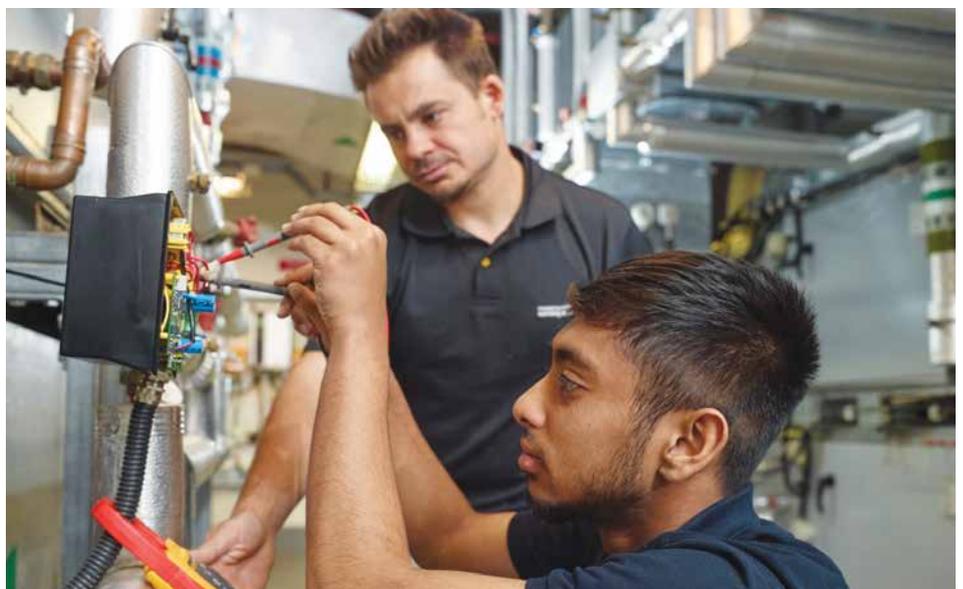
Young people who have completed work experience or an internship say that the employer could have done more to make the experience worthwhile. More than half (56%) were not given any training. 49% were not given information on the training required for a job there, and a quarter (25%) didn't receive any feedback on how they performed. Only 14% of young people who have done work experience were offered a job at the end of it.

Better-quality workplace opportunities are important if we want to make sure that the experiences young people have of the workplace, through employer interactions, really count. It's also vital to ensure that young people are well trained for the growing number of highly skilled jobs that employers say they will need in the near future.¹⁴ This includes well-structured programmes that equip young people with transferable skills employers need, like communications and team working.¹⁵ The CMI-accredited EY Foundation programmes are one example of this – see page 25 for details.

A lack of confidence

While the majority of young people say that they know what they want to do when it comes to a job or a career, they also say that lack the confidence to get a job in the near future. One in three (32%) said they don't feel confident about getting a job in the next couple of years, which was particularly noticeable among 19-21-year-olds (35%). It is particularly important for young people to build resilience as the jobs landscape becomes increasingly uncertain.

On the other hand, those who have done work experience say it greatly increased their self-confidence in terms of believing in themselves and going after what they want (65%).



¹⁴ CBI/Pearson Education and Skills Survey, July 2016

¹⁵ British Chambers of Commerce (BCC) Workforce Survey, October 2014

Confidence in getting a job is driven by awareness, and depends on location and background

A third of young people we spoke to (35%) said they do not know about employers and jobs in their local area. The nations and regions where young people were most likely to say they didn't know about local employers and job opportunities were the South East (39%), London (38%) and South West (37%).

Young people's limited awareness of the range of work options is an issue that may explain their lack of confidence about finding a job close to where they live.

Young people from disadvantaged backgrounds are considerably more likely than their peers to lack confidence in getting a job locally (33% in social groups DE compared to 25% in AB).

Young people's confidence about their future job prospects also varies significantly depending on the area in which they live. Overall, 31% of young people say they don't think they can either find a job or a new job in their area. Londoners are the most confident, although 24% still believe they won't be able to find a job. Elsewhere, those living in the North East and Wales (39%), the South West (37%) and the West Midlands (36%) felt this most strongly, which makes a strong argument for more local, employer-led initiatives.

These figures are also reflected in a recent report by EY and the EY Foundation,¹⁶ which showed that the North East has the highest youth unemployment rate among UK regions: 18.3% compared to the average of 14.4%. Wales, at 17.4%, also scored highly. How young people in these regions feel about their job prospects is, in part, a reflection of these figures.

Young people value work experience

Young people really value work experience – a key reason to invest in creating more opportunities for meaningful experiences of work – both in terms of developing skills and helping to refine career plans.

They are also aware of the benefits it offers in terms of getting a job later on. 88% recognise that previous experience of working is important to employers when making choices about who to hire.

A majority agree that work experience made them more confident (65%), improved their teamwork and communication skills (63%) and made them feel like they had achieved something (61%). Three quarters (74%) of young people agree that work experience gave them an opportunity to meet different types of people.

However, there isn't always a straight line between work experience and getting a job. Young people were more likely to agree that work experience helped them rule out a job (64%) than decide what job they would like (49%) – with only 14% being offered paid employment at the end of their work experience. This may partly reflect what young people told us about the varying quality of their work experiences on page 18.

“““

You don't want to come out of school and not know what to do in order to be successful. You want to know that beforehand to help you.

Male, Aged 16-18

I've always been unsure about what I want to do. But doing all these things [work experience] has helped me rule out the things I don't want to do.

Female, Aged 16-18

I've been trying to get experience in different things so I've got as many paths as possible when I'm older... Since I was 13 I've been trying to get experience for jobs, because I know the more experience I have the better I look to possible employers.

Female, Aged 16-18



¹⁶ *The employment landscape for young people in the UK: challenges and opportunities*, EY in association with the EY Foundation, August 2016



Young people are ambitious

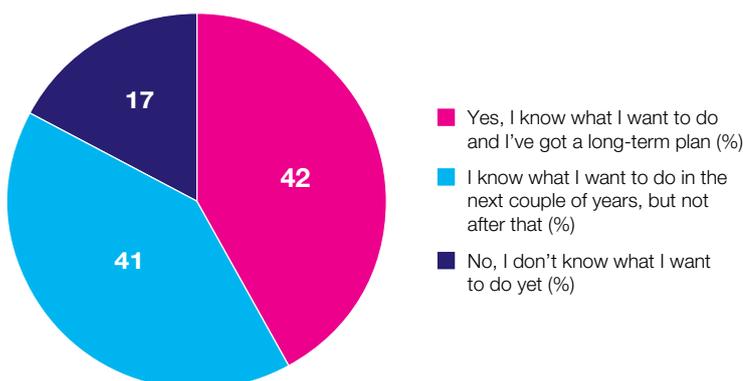
Not only can young people see the value of work experience, they're keen to work and have ambitions.

A majority (62%) say they know the sort of job that they want and how to get it, regardless of background. 42% of young people say they have a long-term plan to get there, while a further 41% know what they want to do in the next few years, if not the long term. Young people from lower socio-economic groups are more likely to say that they know what job or career they want to do and make long-term plans to get there compared to their peers (46% compared with 38%). However, this exuberance doesn't correlate with some of the significant findings in this report, which show that young people lack confidence about getting a job in the future.

Conclusions from this chapter

Most young people have some experience of the world of work, but access to these opportunities isn't always evenly distributed. With the evidence suggesting that provision through schools is declining – based on the views of young people we spoke to and the fact that it is no longer mandatory for schools to provide work experience – personal connections are more important. That can work against some young people, especially those from a disadvantaged background, because they don't always have access to the same opportunities, networks or sources of inspiration. Mentors are one way to unlock this challenge and, in our experience, are a key component of any good experience of work.

If some young people, understandably, lack the confidence to go out and get work place experiences themselves, employers need to offer them more help. This includes looking at how they can collaborate most effectively with schools to offer opportunities for young people to build experiences of the world of work in their organisations. This could take the form of a range of interactions, from talks in school, alumni visits, or more traditional placements – as identified by the Gatsby Foundation. The benefits to young people – and to employers in developing the talent of their future employees – are clear.



42% of young people say they have a long-term plan to get there, while a further 41% know what they want to do in the next few years.

Figure 5 Young people's plans in the short and long-term

2. YOUNG PEOPLE'S VIEWS ON LEARNING TO LEAD



Key findings

- The majority of young people aspire to lead when they move into the world of work.
- Young people recognise the importance of learning core management and leadership skills to their success. They perceive many of these practical skills to be more important to employers than exam results or qualifications alone.
- Young people believe that they are more likely to learn these skills through work experience than through school.
- However, they attach less importance to extra-curricular activities and voluntary work, which could be valuable in fostering practical skills.
- Young people lack confidence when it comes to practical leadership and management skills, particularly those from disadvantaged backgrounds.

A generation of would-be leaders

According to the latest estimates, the UK needs 1.9 million new managers by 2024 to fulfil the demands of a growing economy and an ageing workforce.¹⁷ Meeting this demand will mean ensuring that the younger generation has the opportunity to develop the skills, capabilities and behaviours that employers require.

Fortunately, young people tell us they want to take on management or leadership roles. A majority (63%) say they are interested in leading a team of people in the future. All of the young people we interviewed agreed that they could, or would, become a manager at some point.

Yet there are clear gender differences in leadership ambitions. Young women are notably less ambitious about the prospect of leadership than young men. Nearly three in five (58%) young women are interested in leading a team, compared with 67% of young men.

As shown in Figure 6 below, young women are slightly more interested in the prospect of being self-employed rather than being the head of a company. On the other hand, young men are much more interested in becoming the boss of an organisation.

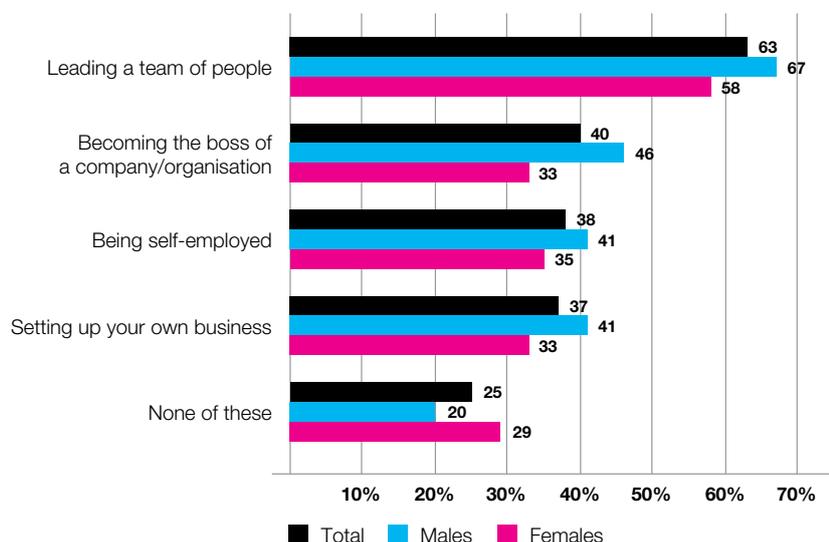


Figure 6 Young people's aspirations to lead – what are they interested in?

¹⁷ UK Commission for Employment and Skills (UKCES), Working Futures 2014-2024, Evidence Report 100, April 2016



Young people's ambition also shows in their interest in entrepreneurship: 37% of young people are interested in setting up their own business.

But while it seems an attractive career prospect for many, connections play a significant role: many of those who are interested in entrepreneurship as a career choice are largely influenced by direct contact with an entrepreneur. They either have family members who have started their own business and can give them information about it, or have worked in a company that had been started by their manager. Young people without these connections often do not know where to start, suggesting that information about entrepreneurship is limited.

What skills do young people consider as important to their success?

We asked young people what qualities they think a good leader or manager should have. We found that many have experiences of, and could articulate the differences between, good and bad leaders. Good managers were typically described as professional, helpful and friendly. They were expected to listen to staff, provide training, give advice, provide constructive criticism, develop new business and take on administrative tasks such as stock management, organising rotas and payroll.

“““

I don't know how I would start up a business, but it does appeal to me. The money would be good to have. And to know that I've started something off myself. Then, if it goes well, I can say, 'I did this and I can support my family'.

Female, Aged 17

My image is to have my own business, that's what I've always wanted to do.

Male, Aged 19

I don't think I would actually know where to start off because I've never been around somebody who has started their own business I wouldn't know where to begin.

Female, Aged 21



Figure 7 what makes a good manager, according to young people we interviewed

The practical skills associated with leadership and management are seen as more important than exam results

Previous CMI research has shown that three out of the top four key skills that employers are looking for in new managers are people-management skills, with communication ranked as the most important skill (by 67% of employers). However, two-thirds (65%) of employers agree that graduates lack the interpersonal skills necessary to manage people.¹⁸

Positively, the young people that we spoke to seemed to know that they need to learn the practical skills that will enable them to achieve their leadership and management aspirations. They also believe these skills are more important to employers than exam results or qualifications. The majority of young people think that organisational skills (68%) and communication skills (65%) are very important to employers when deciding who to hire, while just over a third (35%) think employers consider academic qualifications to be very important.

Young people do not ascribe much importance to their extra-curricular activities, suggesting they do not see them as a means of learning valuable skills that will impress employers. Two in five (41%) young people consider volunteer work or social action as unimportant to employers when deciding who to hire, while almost two-thirds (65%) think the same of common extra-curricular schemes. It seems that young people do not see the potential value of such activity for developing many of the skills that employers seek.



Harry Tugwood

Rewards and Recognition apprentice at logistics company DHL Express



“Having a supportive manager is so important. My own manager is brilliant. She is a tremendous role model to me, and is one of the main reasons why I hit the ground running when I started my apprenticeship. I cannot stress enough the importance of having a supportive, knowledgeable and engaging manager.”



There is a disconnect between schools and the employment market. Schools do not give young people the chance to learn the skills they need in the current job market. Yet, they are expected to demonstrate them once they enter work. To bridge that gap there is an increasing expectation on young people to build these skills in their free time.

Female, Aged 21

I've known stories of people who are good leaders but not good at managing people, and then I know people who are good at managing people but not very good at leading something forward.

Male, Aged 21

¹⁸ 21st Century Leaders, CMI, <http://www.managers.org.uk/insights/research/current-research/2014/june/21st-century-leaders> June, 2014

Where are workplace skills taught?

Young people believe that they are more likely to learn about communication skills during their work experience or internship rather than at school. This could suggest that individuals who are not given the opportunity to participate in work experience are missing out on the chance to learn valuable workplace skills. More than twice as many young people learned about starting conversations with people they don't know while doing work experience (59%) than learned about it at school (24%). Similarly, nearly twice as many young people learned about taking the initiative during work experience (46%) than learned about it at school (24%).

Lack of confidence in practical leadership and management skills

In general, young people rate their skills highly. A majority (85%) say they are good at being on time. Over four-fifths (82%) rate their ability to listen to others, even when they disagree, while 79% give themselves high marks for working in a team and 78% believe they are effective at meeting deadlines. 91% believe they are good at dressing appropriately for work.

Communication skills – which are critical to both leadership and management – are an area for improvement. Although young people recognise that communication skills are important, they do not consider themselves to be good at communicating. Only a quarter (25%) of young people think they are very good at communicating what they think, while fewer than one in five think they are very good at talking in front of a group of people (15%) or starting conversations with people they don't know (16%).

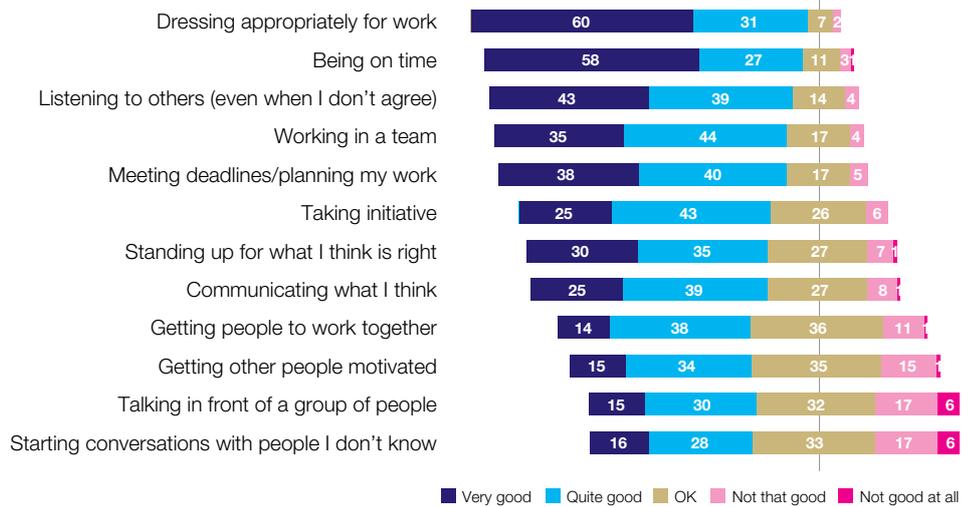


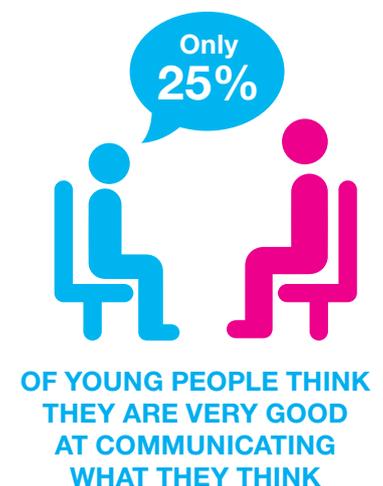
Figure 8 How young people rate their skills and abilities

Conclusions from this chapter

The majority of young people aspire to lead when they move into the world of work. They are aware of the practical skills needed to become a successful manager or leader and they believe that these skills – like communications – are more important to employers than exam results or qualifications, especially when deciding who to hire. They say that they are more likely to gain these skills while on work experience than in the classroom. And yet many young people lack confidence in their leadership skills, like taking initiative or getting people to work together. Which suggests that more opportunities are needed for young people to develop and apply these skills both in school and when participating in workplace experiences.

Young people also lack confidence in their leadership skills. A quarter (25%) think they are very good at taking initiative, while less than one in ten believe they are very good at getting people to work together (14%) or getting other people motivated (15%). These practical skills sit at the core of leadership and management, so it is crucial that this next generation of leaders is given the opportunity to develop them.

Some of these skills deficits are even more apparent among young people from lower social groups, who are less likely than their peers to think they are good at talking in front of a group of people (38% compared with 50%), getting other people motivated (47% compared with 54%), and communicating what they think (62% compared with 69%). It's why programmes like the EY Foundation's CMI-accredited Our Future and Smart Futures programmes are so important – because they provide young people from disadvantaged backgrounds with the skills, connections and confidence that they need to have good working prospects.



OUR FUTURE PROGRAMME – ENHANCING YOUNG PEOPLE'S SKILLS TO BECOME MORE EMPLOYABLE

EY Foundation programme

"The reason I wanted to take part in the Our Future programme is because teachers at my school often told me I wouldn't pass any of my GCSEs. The programme was promoting something different to me, saying I could achieve anything I wanted. Being on the Our Future programme is the reason I've been able to achieve so much education-wise. Even the mentors and the people I've met have had their own struggles in their own lives. It's been inspiring to be told, don't let it stop you, and strive for more."

Hodan, participant, Our Future programme 2015



The context

Maturing workforces, demands for new skills in a knowledge economy and a forecast growth in vacancies over the next few years in certain industries mean that employers are having to look very hard and very seriously at who they recruit and how they recruit to meet the future needs of their organisations.

However, research shows that employers are struggling to fill vacancies due to a real or perceived lack of suitably talented people in the local labour market. In fact 16% of employers – surveyed by the IPPR in 2014 – said they were unable to fill entry level vacancies.

The EY Foundation

EY Foundation programmes offer high-quality paid work experience, employability and management skills training – accredited through CMI – and career mentoring for young people aged 16-19.

The EY Foundation supports young people to develop the skills needed for the workplace, making them more employable in their chosen path. The training and mentoring modules give them the tools and support they need to consider their choices and pursue their career ambitions.

Connecting young people with local employers

Our Future is a six-month employability skills and work experience programme which aims to help young people aged 16-19, from low socioeconomic backgrounds, who are at high risk of becoming NEET (not in education, employment or training) to secure a good first job or progression path to further education.

It makes young people more employable, and connects them with local employers who want to work with a more diverse range of young people. This could include helping them to access apprenticeship programmes.

High-quality mentoring and a paid experience of work

The programme starts with an induction week. This includes:

- Workshops and training to help participants become more employable
- Sessions with employers with job vacancies
- The opportunity to learn lots of new skills – from networking to building positive relationships, communication and organisational skills

Students also have one-to-one support from a mentor throughout the programme. In total they have a three-week paid experience of work.

Our impact

In its first year, 90% of students thought the programme increased their chances of getting a job. 86% now think they have the skills needed to get a job and 30% got a job after the programme.



"I have been accepted to do an electrical course, and the work experience really helped me a lot during the interview as I was able to talk about the skills I had learned during my time with my employer."

Hassan, participant, Our Future Programme 2015

"One of the challenges we face is that we have a maturing workforce, a really high proportion of whom we anticipate to be leaving the business in the next ten years. So we need to make sure we start to do something about that and take some actions. This is where the Our Future programme is perfect for us to access more young people with a really diverse skills set that we need for the organisation."

Our Future employer

3. YOUNG PEOPLE'S VIEWS ON CAREERS ADVICE AND GUIDANCE



Key findings

- Young people get information about jobs and careers primarily from teachers and parents/carers.
- Young people feel that schools are mostly focused on getting students into university and appear to prioritise this route above other career pathways, such as apprenticeships.
- Young people have mixed feelings about apprenticeships – they view them as leading to a job in the long run, but they worry about low pay, longer-term career prospects, and poor status of those jobs.

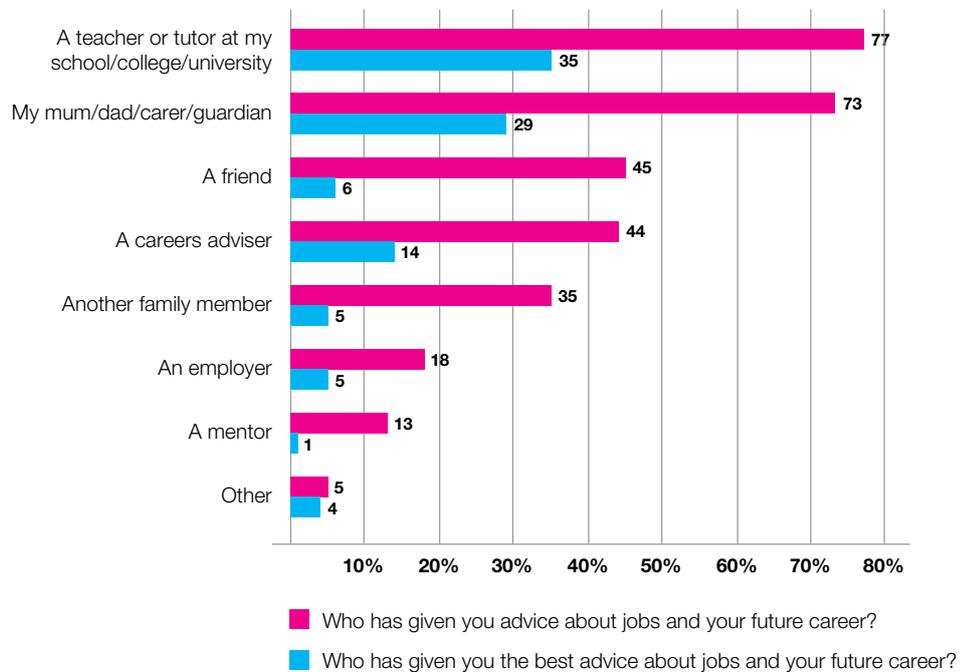


Figure 9 Sources of advice on jobs and careers and its perceived quality

The important role of parents/carers and teachers in providing careers guidance

More than three-quarters of young people (77%) have been given advice by a teacher or tutor; 35% of young people say it was the best advice they received. Similarly, almost three-quarters (73%) say they got advice from a parent, carer or guardian; 29% of young people agree it was the best.

Nearly half (45%) have received career advice from friends. However, very few say that their friends' advice was the best advice (see Figure 9). Only 18% say they received advice directly from an employer. With careers guidance no longer mandatory in schools it's unsurprising that less than half of those we surveyed (44%) received careers advice from a careers adviser.

“““

My parents have always driven me to be academic. They've always encouraged me with everything that I've wanted to go into. Even if I've had some stupid ideas in the past, they've always given me their full backing. My dad trained me up in his business.

Male, Aged 18

Social background influences the quality of careers advice

The source of careers advice given – and the value ascribed to the advice by young people – varies across social groups.

The proportion of young people who have received career advice from a teacher or a tutor is consistent across all groups. Yet those in higher social groups are far more likely than their peers to have received advice from a parent/carer.

The overwhelming majority (88%) of young people in social groups AB have received advice from a parent/carer, compared with 68% of those in groups DE. They are also far more likely to rate the advice from a parent/ carer as the best advice they got.

Given the considerable influence of teachers and parents/carers on young people's career choices it is essential that they are equipped to provide accurate and sufficient information about, for example, local employers, job opportunities and different career pathways, including apprenticeships.

Mentoring is in high demand

A small minority of young people (13%) have been supported by a mentor. Nevertheless, a majority (70%) believe that having a mentor would help them to understand their options when leaving school.

Young people from disadvantaged backgrounds are more likely to agree that a mentor would support them in this way relative to their peers – 75% compared to 69%. Young women in particular say they would like additional sources of advice, and are also far more likely to say that having a mentor would help them understand their options (75%) than young men (66%).

Interestingly, it is young men who were considerably more likely to have been given a mentor or buddy during their work experience than young women – 52% vs 40%.

More than half (54%) of those who had completed work experience or an internship were not given a mentor or a buddy.

There is a very important role mentors can play in enhancing career prospects for all young people, especially those from disadvantaged backgrounds.

Apprenticeships are overshadowed by 'the norm' of going to university

With the government committed to delivering 3 million new apprenticeships, there is a significant drive to expand the provision of apprenticeships. New Trailblazer models have been created, shaped by employers to develop the skills they need – and, in the case of degree apprenticeships, innovative combinations of higher education degrees with workplace learning.

But the advice given to young people does not appear to reflect these rapid developments. At the moment, young people report that the focus is on traditional university routes. 86% of young people say their school provides information about going to university, while only 48% have been told about options for apprenticeships.

Interestingly, young men are more likely than young women to say that their school gave them information about apprenticeships (52% compared with 44%). The reasons for this are not clear, but what it does underline is that it is vital that every young person is given equal advice about all of the different career pathways available to them after school, including apprenticeships.



I feel a pressure to go to university rather than do an apprenticeship, as university is considered 'better' and 'the norm'.

Female, Aged 16

My coaches [have the most impact on my career] because they're all in the industry at the minute. I speak to my mum about what I want to do, but, obviously, because she's not got any experience in what I want to do, she can't help me as much as my coaches.

Female, Aged 21

I feel that apprenticeships are for the brave because it seems like quite a risk-taking adventure. But you will learn a lot on the job and get a lot of training outside of lessons, which is very good. Those who have studied elsewhere may have knowledge but might struggle to apply it to the business and its needs.

Campus CMI student, at December 2015 event



Divided opinion on the benefits of apprenticeships

Perhaps because the information they receive is limited and there has only recently been a renewed push around apprenticeships, young people's views of them are mixed. When asked to describe what comes to mind when they hear the word apprenticeship, two in three (65%) cite good job prospects – although only 37% link apprenticeship to a good career. They also like the concept of learning on the job and think it is a good way for employers to provide training for more complex roles. They particularly like the idea of gaining a degree qualification while doing practical work for an employer. Another benefit is that instead of having to pay high university fees, young people get to earn money while working and

learning. Three in five (62%) agree that all big employers in the UK should have to take on apprentices, while eight in ten (79%) believe that there should be more apprenticeships available for professional jobs.

Concerns about apprenticeships include low-pay, (67%), low status (42%) and being poorly respected (31%).

Furthermore, three quarters (74%) believe that apprenticeships are most useful for manual jobs and two in three (66%) agree that an apprentice's wages are too low. Only 24% think that an apprenticeship can give them a better chance of getting a good job than going to university.



I feel that schools concentrate wholly on exams and the school curriculum. There needs to be more opportunity for work experience and my view is that this needs to be integrated into the school curriculum.

Male, Aged 21

There needs to be more [career advice] in school because if I didn't have my dad to fall back on, I wouldn't really have anything. It's just luck that my dad has got a company.

Male, Aged 18

I would consider doing an apprenticeship, because university fees are really expensive nowadays. You have to pay it back, and you're not guaranteed to get a good job. So, instead of asking your parents and living with your parents, I think getting an apprenticeship would be a better way to make a living.

Female, Aged 16

Economically it's far wiser in the short term than going to university, as you get paid and don't have to pay ridiculously expensive tuition fees.

Female, Aged 17

It's got really good job opportunities and career choices. However, I believe they're more for hands-on manual jobs.

Female, Aged 18

I feel like there aren't enough levels of apprenticeships for me to be able to do to gain a relevant qualification.

Female, Aged 20

CASE STUDY



Daniel, Age 21

Apprentice at cloud hosting company UKFast

"It's great to see how the course develops you as a person. The apprenticeship programme reflects how the people make this company. Coming straight from Sixth Form and working in a professional environment was a learning curve. But because you're working with real clients and projects, you adapt really quickly. You're building professional relationships and working with some of the most qualified people in the business every day."

CASE STUDY

Pendragon | PLC



Thomas Summerfield

Service Advisor, Pendragon

"I am doing a Chartered Manager Degree Apprenticeship with my employer, the motor dealer Pendragon. The actual degree part of the programme is with Nottingham University. I like it because I am building a portfolio of skills for myself. I'm not just doing management, I'm also doing accounting and finance and strategic business models.

I get a lot of support from Pendragon's talent specialist as well as our mentors at CMI and the university. And I have a vision because I know I want to become a Chartered Manager so that's what I'm working towards. It's a fantastic opportunity."

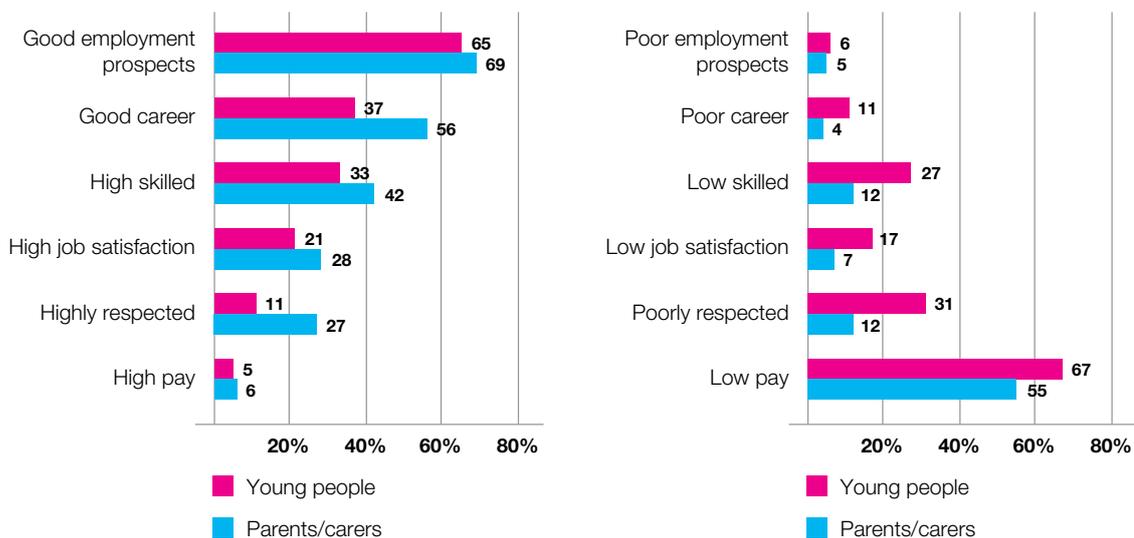


Figure 10 Young people's and parents'/carers' views on apprenticeships

Parents'/carers' views on apprenticeships

Parents/carers share many of the concerns that young people have about the pay and status associated with apprenticeships, but they are slightly more positive overall.

Although more than half (55%) of parents/carers associate apprenticeships with low pay, just one in ten think of apprenticeships as poorly respected (12%) or low skilled (12%). In contrast, 69% associate apprenticeships with good employment prospects and more than half (56%) with a good career. Over two-fifths (42%) think of apprenticeships as high skilled.

Raising awareness of how apprenticeships work

Before participating in our research, only 17% of young people had heard of degree apprenticeships. Yet after hearing a description of what degree apprenticeships entail, a majority (62%) of young people say they would be interested in them, with young women more likely to be interested than young men (66% compared with 57%).

This shows that the way in which apprenticeships are presented to young people is key to broadening their appeal.

Conclusions from this chapter

Parents/carers and teachers play the most important role in supplying young people with information about their careers and job opportunities.

However, these sources aren't always the most informed about the many and varied career pathways that exist for young people. With the fast-changing landscape on apprenticeships and post-16 education – such as the proposed reforms to technical education announced in July 2016 – more needs to be done to improve the information and advice provided to young people. There's also an opportunity for other sources of guidance, such as mentors.

To ensure young people can make informed decisions about their future, employers would benefit from being more visible to them, especially locally, and building closer collaborative working relationships with schools and colleges.



I would consider doing an apprenticeship but I would take a strong interest in the kind of qualifications or experience that I'd get at the end of it. I would be worried that when I was looking for other jobs I wouldn't look as good to employers compared with someone who has a degree.

Male, Aged 17

I wouldn't be interested in doing an apprenticeship because I think that the pay is not good enough. I've already got a course at university anyway; I think that's probably the best bet. I definitely think that it works for some people, but it wouldn't be my first choice.

Male, Aged 20


Mark Gregory
Chief Economist at EY

Disparity in youth employment rates across the UK requires local employer-led solutions to secure future economic growth

A new report by EY and EY Foundation shows some stark variations in youth employment across UK regions and cities, as well as across sectors. Mark Gregory, Chief Economist at EY, says local employer-led solutions are needed to provide young people with the vital skills, experience and opportunities necessary to secure work in the 21st century.

The EU referendum vote exposed wide differences in attitude in the country by age and educational attainment and provided evidence of frustration over economic opportunity in many areas outside London. The new Prime Minister has signalled her desire to build a more inclusive nation with an economy that works for everyone. At the same time, businesses have recognised the need to do more to create economic opportunity across the length and breadth of the UK.

Improving labour skills is therefore an increasing priority for both UK businesses and the UK Government. Yet according to a recent report by EY and EY Foundation on youth unemployment, there is currently a huge disparity in the percentage of young people being employed across the UK's regions and cities, which could be damaging to local economic growth.

The report, which tracked youth employment and unemployment data since 2004, showed that there has been an excess in the unemployment rate for 16-24-year-olds (25.8% for 16-17-year-olds and 12.2% for 18-24-year-olds): one which can't be completely explained away by a rise in the number of young people who are now staying in education post-16.

It also showed some very clear and stark variations in youth unemployment across regions and cities, and some interesting employment trends across sectors.

There are clear and stark variations in youth employment across regions and cities

Youth unemployment rates across the UK vary from 11.2% in the East of England to 18.3% in the North East in 2015. And between 2004 and 2015, youth employment rose only in London and (marginally) the South West, falling in the other seven English regions as well as in Northern Ireland, Scotland and Wales. The North East and Northern Ireland saw the most pronounced youth employment falls in percentage terms and they also have the highest youth unemployment rates in the UK.

From the 48 cities examined in the report Bradford, Middlesbrough, Swansea and Wolverhampton have the worst youth unemployment rates in the UK

There are even greater variations in youth unemployment rates between cities. In every region/nation the majority of cities (for which data is available) had youth unemployment rates higher than the regional/national average. The largest gap was in the East Midlands, where Leicester's 23.6% youth unemployment rate was 12 percentage points above the regional average (with the latter being one of the lowest in the UK). While four cities had youth unemployment rates in excess of 25% – Bradford, Middlesbrough, Swansea and Wolverhampton.

There have been sharp falls in number of young people employed in manufacturing, construction and financial & business services

Of the 166,000 decline in youth employment from 2004 to 2015, the biggest single element has been a fall in manufacturing employment, with a decline of 109,000 (28%). And in the last decade two sectors have seen particularly large falls in employment of young people: construction and transport & communications. Other sectors that have reduced their employment of young people sharply are distribution, hotels & restaurants and financial & business services.

By contrast more young people today are working in public services and the entertainment, sports and culture industries

In contrast, public services saw an increase of 117,000 in the employment of young people over the same period, while other services (such as entertainment, sports and culture) have seen a 40,000 rise. The two sectors that employ the highest proportions of young people relative to their total employment are distribution, hotels & restaurants and other services (which includes entertainment, sports and culture).

Growth in job opportunities predicted in distribution, hotels and restaurants

The report forecast that between 2015 and 2030 the UK's employment in distribution, as well as hotels & restaurants will actually grow by an average of 0.4% a year, which matches the forecast growth of the UK's total employment. Over the same period employment in other services could grow by 0.9%, strongly outpacing the average across UK sectors. But there will likely be a further decline in job opportunities for young people in sectors such as mining and utilities and in manufacturing.

You can download a copy of EY and EY Foundation report on youth unemployment at www.eyfoundation.co.uk/youthandemployment

EMPLOYER OPPORTUNITIES

There are thousands of young people in the UK like those whose voices emerge from this report. They have enormous potential and would be assets to any organisation. Yet many say employers are largely invisible when it comes to advice and guidance on their career options and want to see them offer more experiences of work.

At the same time, we still hear that employers face a skills gap and struggle to fill vacancies due to a real or perceived lack of suitably talented people in the labour market.

The opportunity to better guide and inspire young people, and to close the skills gaps that employers face, is clear.

Employers face a skills gap and struggle to fill vacancies due to a real or perceived lack of suitably talented people in the labour market.

The importance of this agenda is undeniable. We know that maturing workforces, demand for new skills in a knowledge economy driven by new technologies, and forecast growth in key industries present significant challenges for employers. In a post-Brexit environment, as employers potentially face new restrictions on the movement of labour from across the EU, these skills challenges could be compounded – and the need to ensure young people can successfully enter the workforce will be even more important.

During the course of this research we interviewed several employers to explore what they are doing about the challenges raised in this report. We found many are working hard to

grapple with these issues: engaging with schools to provide more experiences of work, strengthening the range of pathways into work including apprenticeships, and developing opportunities to nurture key management and leadership skills at a younger age.

The case studies show in more detail what leading employers, large and small, have done. Our recommendations aim to build on this work and encourage more employers to do more in a systemic, joined-up approach that helps young people better navigate the uncertain and rapidly changing landscape ahead of them.



Employer action case studies

Across our interviews with employers, the challenges involved in engaging with schools was a common theme.



Sharon Davies, Corporate Affairs Director at DHL Express, advises managers to engage directly with schools to better understand their priorities and the opportunities for working together.

“Employers should sit down with schools to help them understand what they offer. The more businesses can help make it easier for schools, the better. It’s about working together in the most flexible way possible, so that both the school and the employer can keep running ‘business as usual’.”

To achieve this, DHL and their partner schools are building skills into the curriculum, supported by activities like industry days that aim to give students an all-round understanding of the world of work.

There was recognition among the employers we spoke to about the importance of helping young people to better understand the opportunities available to them.



Aaron Saxton, Director of Training and Education at Manchester-based cloud hosting company UKFast, told us: “It’s our responsibility to point [young people] in the right direction.

I think a lot of employers complain about this, but just because there are areas for development doesn’t mean there’s no potential.”

We also asked these employers about the importance of management skills to their work with young people. Aaron Saxton of UKFast said, “Leadership and management skills are a key focus for UKFast. Understanding the expectations of a commercial business, such as the consequences of being absent or underperforming, is a huge part of starting a career.”

Employers emphasised the importance of the quality of the experiences they offer young people.



Leah Shafik, Group Work Placement Manager at Interserve stressed that, “We’re really keen to ensure that the experience is meaningful for both parties.”

As a consequence the work experience at Interserve focuses on the two sides of any job: the technical side and the ‘softer’ side, including personal, communication and people skills, which underpin good management and leadership.



Michelle Murray, Apprentice Programme Manager at ScotRail, highlighted their use of competency based questions when interviewing young people for apprenticeship places, recognising the need to get beyond the academic record to understand young people’s potential.

“We want to find out as much as possible about the candidate – most questions are competency-based to spot the raw potential. ‘Do you volunteer?’ ‘When have you worked in a team?’ ‘Are you part of a sports team?’”

It was also clear that there are some efforts being made to improve coordination and collaboration between businesses.



James Robinson of accountants PKF Francis Clark highlighted the opportunity for employers to build on existing business networks, including clients and suppliers, to connect with local schools and relevant initiatives for young people.

Partner James Robinson told us that, in the absence of government-led guidance, “We are trying to create a matrix so that employers can actually see what activities they can take part in, and the commitment that they come with.”

Michelle Murray from Scotrail summed up a sense of optimism about the future. “There is cause for optimism. More and more, schools are promoting apprenticeships... In the past five years apprenticeships have grown arms and legs. Schools are cottoning on to the fact that apprenticeships aren’t just for manual labour.”

Case studies from these employers are available in full online in a companion report. See the Further Resources section on page 35 for details.

CONCLUSIONS

Young people have high aspirations, are ambitious and want to get on in life when it comes to a job and a career – that’s what they have told us in this report: a candid snapshot of the experiences 16-21-year-olds have had in the workplace and of their hopes and fears for the future, in an age of uncertainty.

They want to lead, to manage teams and run their own businesses and are fairly exuberant about their futures, saying that they know what jobs or careers they want in the future. And they want more opportunities when it comes to developing leadership and management skills and having great experiences of work – and for employers to play a bigger role in that. In spite of this, the young people we spoke to also say they are struggling to get the right experiences to get a job that they actually want. They are suffering from a crisis of confidence when it comes to their own leadership and management skills and their ability find a job locally – many do not even know about the employers or job opportunities in their local area.

Lack of connections, a steady decline in school-secured work experience, low self-confidence and an apparent lack of visibility of local employers, all have the potential to impact on all young people’s working prospects, but especially if you are disadvantaged.

There are, of course, many employers across the country who are doing some great things for young people, offering inspiring experiences of work and opportunities to develop essential leadership and management skills – some profiled in this report (see page 32). We also know that many schools do an excellent job in creating these opportunities for their students.

But these experiences are too often not available to all young people. The problem seems to lie in the continued fragmentation of efforts, resulting in too many young people, across too many regions in the UK, not having the same systematic and high quality experiences of work with local employers and information about all pathways into work. This is a core requirement if we want young people to have the right skills to get good jobs; and employers to have access to the future leaders and managers of their organisations.

We believe we need to come up with collaborative solutions that bring employers, schools and colleges and government together, linking in with parents/carers, and that young people should be directly involved in shaping, designing and testing those solutions.

Ultimately this will require going through the national curriculum: creating a school-to-work syllabus that provides fair and equal prospects and choices for all young people throughout their secondary school education. We believe this would provide all young people with a great start to their

working lives, offering essential work place experiences and accredited leadership and management skills.

To ensure that any solution has young people’s prospects at the heart of it, we are committed to working together to convene an employer led national school-to-work Youth Panel (set out in our recommendations). The panel will raise key issues with and through young people – working together to make progress on the schools-to-work agenda.

We need to come together to help all young people across the UK navigate through uncertain times, and give them better access, knowledge, skills and choices that can lead to greater confidence and certainty about their futures – ensuring that every young person has good working prospects. We hope that you will join us in coming together to achieve this mission.

“““

I’m not looking for just any old job. I’m looking for a job that fits my ambitions, a job that will mean I wake up and say, ‘Yes, I like going to work because it’s something that I want to do.’

Female, Aged 21

FINAL PERSPECTIVE FROM A YOUNG APPRENTICE



Thomas Summerfield, Age 19, Cheshire

Service Advisor, Pendragon PLC
Chartered Manager Degree Apprentice

I think it's really important for employers to get involved earlier, and to offer effective work experience. There's too little information available about what employers really want, and my friends and I really struggled to work out what the best path might be. We know what we want to do with our lives, it's just that no-one is telling us about how to get there when we're at school.

I only found out about the Chartered Management Degree Apprenticeship (CMDA) by doing my own research, we didn't have any employers come to our school to talk to us about our futures. It'd be great to see schools and employers team up like that to help more people find out about the different options.

Pendragon | PLC



I feel very lucky to have settled on the Chartered Manager Degree Apprenticeship, it not only lays a path for me to move into management but also provides the reassurance of a steady wage while I study. I know if more of my friends had been made aware of degree apprenticeships then they too would have chosen this over a traditional university education.

I hope this report encourages more employers to get involved by working with schools to highlight future careers and offer more work experience helping to give young people a better start to their careers.



I think it's really important for employers to get involved earlier, and to offer effective work experience. There's too little information available about what employers really want.

FURTHER RESOURCES

An Age of Uncertainty

Find out more about this research and read the employer case studies in full on www.managers.org.uk/ageofuncertainty

And also visit www.eyfoundation.co.uk/youthandemployment

Apprenticeships

For more information about the Apprenticeships offered by CMI, including the Degree Apprenticeships or to read case studies and to meet the apprentices, visit: <http://apprenticeships.managers.org.uk/>

You can also send an email to apprenticeships@managers.org.uk and follow us on Twitter [@cmi_managers](https://twitter.com/cmi_managers) #MgtApprenticeship

CMI Mentoring

Mentoring has been evidenced as a valuable tool for many young people wanting to learn more about the world of work. CMI Mentoring is unique in its focus on management and leadership, providing practical support to managers at all levels of their career. Find out how you can be involved – as a mentee, or as a mentor – at www.managers.org.uk/mentoring.

CMI'S Career Development Centre

Our new Career Development Centre contains a wealth of tools, information and advice. From CV writing to everyday management advice and problem solving – it's all in one place – at www.managers.org.uk/individuals/existing-members/career-development-centre

Campus CMI

We inspire, create confidence and support young people aged 14-18, by providing professionally accredited CMI Management and Leadership qualifications to the next generation of managers and leaders. To see how you, as an employer, can support us visit: www.managers.org.uk/individuals/qualifications/campus-cmi

EY Foundation Three Year Strategy

Our Three Year Strategy sets out the EY Foundation's plan to encourage and help thousands of young people into employment, education and enterprise by 2018. You can download and read the full report here: www.eyfoundation.co.uk

EY Foundation Smart Futures programme

Smart Futures is a 10-month programme for Year 12 students in England and 5th Year students in Scotland. It gives young people access to paid work experience and improves their chances of getting a job, doing a degree apprenticeship, or going onto higher education after school or college. And it gives employers the chance to spend time with local young people they might not otherwise meet. Interested in getting involved? Find out more here: www.eyfoundation.co.uk/SmartFutures

EY Foundation Our Future programme

Our Future is a six-month programme that offers skills training and paid work experience to 16 to 18 year olds who might otherwise struggle to get a job (because their academic achievements don't always reflect their true ability, for example). Interested in getting involved? Find out more here: www.eyfoundation.co.uk/ourfuture

EY Foundation Accelerate programme

Accelerate is a 12-month programme offering structured business support to young social entrepreneurs (18 - 30 years-old) and social enterprises that focus on supporting young people into jobs, training or business. Interested in getting involved? Find out more here: www.eyfoundation.co.uk/Accelerate

APPENDIX A – TERMINOLOGY

Social group

When we conducted the research we asked respondents to select their social grade, based on the National Readership Survey's (NSR) definitions. After much debate we decided not to use the term social grade in this report. Instead, we have used the term social group, or on occasions we may refer to the socio-economic group or background.

Disadvantage

Throughout the report we talk about disadvantage/disadvantaged young people. In the context of our report, disadvantage is a measure of poverty and either refers to a young person who is classified in social grades D or E, and/or is eligible for free school meals.

Workplace experiences

When we refer to workplace experiences, we mean any type of experience of work, ranging from an employer speaking in a school, to mentors, job shadowing, volunteering and a paid job.

The NSR classifications are as follows:

Grade	Classification	% of population (NRS 2015)
A	Higher managerial, administrative and professional	4%
B	Intermediate managerial, administrative and professional	23%
C1	Supervisory, clerical and junior managerial, administrative and professional	27%
C2	Skilled manual workers	21%
D	Semi-skilled and unskilled manual workers	16%
E	State pensioners, casual and lowest-grade workers, unemployed with state benefits only	9%

Work experience

When we refer to work experience we are only referring to work placements, work experience or an internship – paid or unpaid – that takes place in an employer's organisation. It does not include jobs. Typically these experiences last between one week and one month or more.

APPENDIX B – METHODOLOGY

Research objectives

The research study sought to explore:

- Young people’s career ambitions: do they aspire to positions of leadership?
- How confident young people are in achieving their aims
- Young people’s knowledge and understanding of the labour market
- Who, if anyone, young people look to for advice about their future careers
- Young people’s knowledge and perceptions of apprenticeships
- Their experiences of work and where they look for work experience opportunities
- The impact of work experience on young people’s ambitions or decisions on their next steps in terms of education/employment
- What young people think is important for success in the labour market and their perceptions of their abilities
- The impact of demographic differences such as gender and socio-economic status on young people’s attitudes and ambitions

Detailed methodology

Populus conducted a two-stage research project as follows:

1. Stage one – qualitative research

Populus conducted ten face-to-face interviews with young people aged 16-21 in Bury, Manchester, on Tuesday 24 November 2015.

Interviews were conducted with young people who were studying, working and looking for work.

Questions principally explored young people’s attitudes towards work experience and employment.

2. Stage two – quantitative research

Populus conducted a representative online survey of 1,510 young people in the UK between 23 February and 6 March 2016.

Nationally representative quotas were set for gender, age and region, and the sample was then post-weighted to census data on gender, age, region, and social grade.

Questions explored: young people’s career aspirations, knowledge of the labour market, their perceptions and experience of work placements, attitudes and knowledge of apprenticeships, sources of career advice and perceptions of the skills needed to succeed in the world of work.

Where results do not sum to 100, this may be due to rounding, multiple response categories, or the exclusion of ‘don’t know’ responses.

All statistical differences between samples referenced in this report have been significance tested to ensure the analysis is statistically robust.

Populus is a member of the British Polling Council and abides by its rules. For more information, please see www.populus.co.uk.

Consultations

Throughout the research process the Research Advisory Group, brought together by CMI and the EY Foundation, provided expert advice on research design, analysis and the implications for shaping our recommendations.

We also consulted young people throughout the research. The EY Foundation Youth Panel provided invaluable insight, helping to shape the survey and scrutinising the analysis. We also drew on insights from Campus CMI alumni and prospective participants drawn from across five schools in England, through a day of structured discussions in December 2015, organised by StudyFlex.

NOTES

Chartered Management Institute (CMI)

The Chartered Management Institute (CMI) is the only chartered professional body for management and leadership, dedicated to improving managers' skills and growing the number of qualified managers.

Our professional management qualifications span GCSE to PhD equivalent levels, including the unique Chartered Manager award, which increases earning potential and improves workplace performance.

We provide employers and individual managers with access to the latest management thinking and with practical online support that helps them to embrace change, create high-performing teams and keep ahead of the curve.

With a member community of more than 120,000 managers and leaders, we promote high standards of ethical practice through our Professional Code of Conduct, and help managers to build their expertise through online networks, regional events and mentoring opportunities.

Visit www.managers.org.uk/ageofuncertainty for more information, and follow us on Twitter @CMI_managers #schooltework

The EY Foundation

The EY Foundation is a registered charity that helps young people who face barriers in the labour market – such as living in a low-income household – to find pathways into work, higher education or self-employment. We do this by designing, developing and running our own programmes and working with employers and local communities across the UK.

Our vision is that every young person in the UK, regardless of their background or circumstances, can begin to realise their career ambitions and make a successful transition into work, higher education or self-employment. And that every employer in the UK, regardless of size or sector, plays an important role in supporting all young people to realise their full potential.

Our mission is to work directly with disadvantaged young people, with employers and social entrepreneurs, to create and support routes into education, employment and enterprise.

Our purpose is to inspire and engage young people across the UK who are at a disadvantage in the jobs market and help them to fulfil their potential for work. And to reduce the barriers to work for young people and make them more employable – with the support of employers and other stakeholders.

Visit www.eyfoundation.co.uk for more information, and follow us on Twitter @EY_Foundation #schooltework

The EY Foundation

Registered charity number:
England & Wales 1157154
Scotland SCO45076

Chartered Management Institute

77 Kingsway, London, WC2B 6SR
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