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Report 304
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Preface

This report is aimed at policy-makers in industry, commerce, government and education, and also at individuals who wish to manage their careers as effectively as possible. It describes some of the current far-reaching changes in organisations, labour markets and working lives. These changes add up to a fundamental shift in the nature of careers as experienced by individuals and offered by organisations. There are major consequences for how careers should be conceived and managed, and for the quality of lives in a society that is being transformed by these changes. These consequences embrace not only employing organisations, but also government, education and social policy. Conclusions are drawn about what can be done by those who can influence or facilitate the careers of other people, from national, local, organisational and interpersonal levels of analysis. Implications for managing one’s own career are also discussed.

The report results from the meetings of a group consisting of 31 people — a mix of academics, managers and consultants — convened by Dr John Arnold of Loughborough University Business School, with funding from the Economic and Social Research Council. The group met eight times between March 1994 and March 1996. (More detailed information about the seminar series is given in Appendix 1.)

The seminar series aimed:

**to review** what is happening, and what will happen, to careers as we enter the 21st century

**to consider** how individuals and organisations might best manage careers in the light of current and future trends.

In this report we set out to provide a detailed analysis of these changes and their implications for careers. Broader issues of
public policy are discussed in a second report\textsuperscript{1}. Here we focus primarily on the consequences for those directly affected by these changes — employers, education and training providers, individuals, and providers of career guidance. For practical reasons, we restrict our discussion to the UK, although many of the issues discussed in the report apply to other developed countries since many of the changes in careers are a direct result of the globalisation of business activity.

The first three chapters of the report review the changes that have been taking place in careers by examining:

- the far-reaching changes in the structure of employment opportunities and how these are forcing us to revise what we mean by a career (Chapter 1)
- demographic and labour market trends and changes in the education system, employment patterns and levels of unemployment (Chapter 2)
- how these two sets of factors will affect the types of career that will exist in the future (Chapter 3).

The second half of the report presents what we see as some of the implications for the key stakeholder groups — employers (Chapter 4), individuals (Chapter 5), education and training providers (Chapter 6), and career guidance services (Chapter 7). In particular, all these groups are taking on new roles and responsibilities which need to be recognised and supported.

We have set out key points at the end of chapters. The Executive Summary draws these together and presents our main recommendations.

It is evident that the changes we have described in the nature of careers have considerable social implications and need wider discussion. Our intention is that the analysis presented in this report will stimulate and inform what we believe to be a vitally important area of public debate.

Executive Summary

Everyone has a career, not just those dwindling sections of the community with orderly and progressive sequences of work experience. The well-being and productivity of all potentially economically active members of society depends on the recognition and servicing of these career needs and interests.

Careers, as the lifetime experience of individuals, and as pathways through occupations and organisations, are in a state of profound change. The change stems from a wide range of revolutionary forces, affecting labour markets, employment structures, organisational practice and educational provision. These developments pose a major challenge to policy and practice, which this report summarises. In brief, it is clear that major reform is needed of the information, resourcing and guidance provision made by various institutions. Important innovations are required to meet the needs of individuals, employers and society into the 21st century.

These conclusions are the outcome of an ESRC initiative bringing together, for an extended series of workshops and seminars, leading scholars and practitioners in the field. Our aim in this report is to provide a state-of-the-art perspective on current knowledge about careers, and a state-of-the-nation review of trends in practice and support for career development. The recommendations we draw from this are aimed at policymakers in industry, commerce, government and education, and also at individuals who wish to manage their careers as effectively as possible.

The changes

The nature of careers are being radically affected by:
economic changes displacing large numbers of employees from old to new forms of employment, frequently leading to reduced employment status for those whose skills are obsolete and who are unable to adapt to new businesses.

new technology resulting in the automation of formerly labour intensive processes, improved communication and information, and the growth of new kinds of organisation, occupations and jobs.

changes in business culture ranging from privatisation, with resultant pressures for new forms of regulation, to changes in organisational practices, such as the refocusing around core business activities. These have raised awareness of corporate culture as a source of strength, resourcefulness and flexibility.

The labour force

Many characteristics of the UK labour force as we enter the 21st century will be different as a result of demographic and employment trends.

- The workforce will be older, better educated and possess more vocationally relevant qualifications.
- The number of women in the labour force will continue to increase, although about half will work part-time.
- More people will work for small employers and be self-employed.
- Job opportunities will continue to expand at professional, managerial and technical levels.
- Many other new jobs will be part time, low paid and of low status.
- Unemployment at present levels is projected to continue for the foreseeable future.

The consequences

The changes taking place in employment and how work is organised will have far-reaching consequences for:

organisations including employers, education and training providers, career guidance agencies, trade unions,
professional associations, and the voluntary sector (e.g., charities, community groups), amongst others.

**labour markets** which will also be affected by demographic trends and changes in education and employment patterns.

**the working lives** of individuals and their roles as parents, family members, members of communities and citizens.

The net effect of these changes is a widening diversity of career patterns and experiences. Many groups will have more fragmented and mobile careers, and as a result, perceptions of career insecurity are likely to continue to spread across the labour force. A major feature of the future labour market is that there will be more and different sorts of transition taking place (e.g., from employed to unemployed, from full time to part time, from employed to self-employed, between occupations and sectors, and so on). A key issue is how best to support and facilitate these transitions.

**Conclusions**

Our conclusions are that there is an urgent need for:

- **assistance for individuals** to manage career transitions, through the development of national policies for lifelong access to guidance, in order to support lifelong career development for all

- **information at a national level** about employment trends and factors affecting careers, and at a local level to support individuals within particular locations and market segments

- **integration** of educational and vocational qualifications and accreditation systems to cover all forms of learning

- **individual learning accounts** as a means of encouraging individuals, employers, and government to invest in learning

- **attention** to the role of 'intermediary' organisations between individuals and employers: professional organisations, trade unions, 'deployers' (e.g., employment agencies), and networks of various kinds

- **periods of unemployment** to be used for skill development with more opportunities for education, training, and work experience.

These lead to more specific recommendations that are targeted at specific groups.
Employers need to:

Rebuild commitment. Think more carefully about the relationship they really want with those who will work for or with them into the next century.

See work as development. For those who will be with the organisation for some time, investment in development will be crucial. This will not just be through education and training, but also through encouraging people to take on work tasks and projects which will be developmental for them and the organisation.

Maximise flexibility. Greater use of temporary workers and subcontracting buy some forms of flexibility; but promoting the free flow of skills inside the company may offer greater rewards. This means ensuring that skills can flow via open internal information about all vacancies, appointing on skill rather than age, and achieving flexibility of movement between different forms of employment contract (full time to part time and back, employment to self-employment and back, etc.).

Assist individual career choices by providing support systems to enable people to become aware of their career potential and to manage their own careers.

Make business information easier to access so that individuals can make informed choices.

Evaluate their career and development initiatives.

Recognise experience and skills gained outside paid work (eg in the voluntary sector or as a carer).

Equip managers to deal more confidently with the career development issues of their people.

Develop networks of exchange for enhanced mobility and development across organisational boundaries.

Individuals need to:

Acquire relevant information. Accumulate information about the changing structure of employment and take opportunities to appraise their own abilities, interests, knowledge and experience.

Invest in development by spending time acquiring skills and knowledge, making job choices with development in mind,
considering future skill requirements and planning relevant training, and developing business and self-management skills.

**Develop career management skills** through knowing what they want and can do, being aware of opportunities that might meet their needs, and through developing and implementing a career action plan.

**Develop an awareness of their own values** so that they can decide what career 'success' means to them.

**Participate in appropriate networks** at work, through professional associations and socially. Seek out mentors who can offer career and personal support.

**Education and training providers need to:**

**Encourage lifelong learning** by supporting and co-operating with business, community and other education and training organisations.

**Establish a 'culture of relevance',** where learners can see how their learning relates to their lives.

**Ensure that all aspects of learning include a learning-how-to-learn component** to provide a lifelong basis for accomplishing new transitions.

**Adopt an inclusive approach to teaching** that ensures no-one is excluded from participating in learning and development activities.

**Raise expectations** about what individuals, schools and colleges can aspire to achieve.

**Career guidance providers need to:**

**Integrate guidance in education and employment** so that it is seen as a core activity and resourced appropriately.

**Provide access** to impartial and neutral guidance services.

**Promote innovation and experimentation in service delivery,** for example by setting up Career Action Centres, developing open learning materials and making better use of information technology (e.g. the Internet).

**Develop explicit quality standards** for different forms of guidance provision, and evaluate services against them.
Wider implications

There is a need for a major public debate about how new forms of support for careers and for learning and development activities might be funded. This means serious consideration of the extent to which initiatives in this area should be regarded as part of the economic infrastructure of a society preparing for the 21st century or to what extent they are seen as the responsibility of individuals and employers.

It is also important to recognise that the profound changes to careers have wider implications that threaten social cohesion. Ways of making paid work available to everyone (eg ‘workfare’), including paying for forms of work that are not ‘paid for’ at present (eg child-rearing), should also be considered. The value to society of work outside the formal economy should be recognised in any debate of these issues.

Further research

Priority areas for further research include:

● developing greater understanding of the impact on careers and skill development, of employment and labour market trends

● establishing the most effective methods for delivering labour market and employment information to employers and individuals at local and national levels

● developing and evaluating innovative career guidance services for adults

● evaluating the effectiveness of career development interventions in education and employment

● measuring the social and economic impact of career guidance.
1. The Changing Nature of Careers

Defining careers

Before we can say anything meaningful about the changing nature of careers, it is necessary to consider what the concept of 'career' means. It is a troublesome term, for several reasons.

In the sense in which young people are often encouraged to think about it, by educators, fiction, the media, careers advisers and others, a career is something which is chosen or aspired towards — a lifetime course of cumulative occupational experience. This view, though faithful to the term's etymological origins (from the old French for a 'carriageway'), has unfortunate consequences. It identifies large segments of the population as ineligible to have careers — the unemployed, students, domestic labourers or child carers, people with interrupted or radically changing occupational status, unskilled and casualised labour, migrants, and others who, whether voluntarily or involuntarily, fail to conform to the idealised image of occupational and professional development. In this sense careers have always been largely a white male middle-class prerogative. When the media proclaim 'the death of careers', it is this group that has been bereaved.

However, there are powerful reasons for using the term 'career' more widely. First, there are practical considerations. Whatever soothsayers about the future of careers may assert, individual men and women remain passionately interested in their careers — that is, in their personal development through work experience over the course of their lifetime. People are more concerned about their skills, competencies, future roles, and

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opportunities for self-determination than they are about most other areas of their work experience. At the same time, employing organisations are aware of this fact, and profoundly perplexed by the issue it raises — how to provide developmental incentives to people when familiar structures of hierarchical advancement are rapidly transforming and, in some cases, dissolving. In short, the importance of having a sense of meaningful career development is becoming more rather than less important.

Secondly, the definitional problem has been recognised and addressed by scholarship in the area. The traditional concepts of career choice and invariant career developmental stages, which had focused research on steady state phenomena, have been replaced by new paradigms which recognise that careers cross organisational, temporal and functional boundaries. For example, 'boundaryless careers' include liaison roles, contracted-out relationships, portfolio competencies and the like. Indeed, it has long been clear that popular connotations of the meaning of 'career' are inadequate and restrict the study of what actually happens in people's working lives. More inclusive definitions have therefore been proposed, such as 'the evolving sequence of a person's work experience over time'.

The meaning of careers

The significance of the concept of career is that it represents a key intersection of human biography with economic and social structure. Careers as defined above, however apparently incoherent or varied in content, are in a vital sense the possession of the individual. There may be little apparent rhyme or reason to the sequence of work experiences a person has had, but they contribute to an integrated personal identity — that is, the sense that individuals make of their history and

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the skills, attitudes and beliefs they have acquired. This is what can be called the subjective career.\footnote{Collin A, 'The changing nature of careers' and 'What will careers become?'. Papers contributed to the ESRC Careers 2000 Seminar.}

The counterpart to this, the objective career, is the patterns of positions and work experiences which occur in society. It is apparent that, although individuals try to exercise choice and control over these, they are ‘bounded choices’ — bounded by what sociologists call ‘opportunity structures’. These are the availability of positions in society, and the probability that from any one position a person can move to another. One writer\footnote{Gunz H (1989), Careers and Corporate Cultures. Oxford: Blackwell.} has described organisational structures as ‘climbing frames’ — the shape of the organisation means that only certain positions are possible, and only certain moves are likely. Society in this sense can be considered a complex and changing set of interconnected climbing frames. What kinds of career objectives people can have are constrained by the norms, rules, entry criteria and conventional practices which prevail at any particular point in time.

It is important that we understand what is happening to careers because:

a) they tell us what kind of labour force is being created by current practices and experiences, i.e. the identities of individuals (attitudes, skills etc.) that are being forged by career experience;

b) they tell us what kinds of demands we are making upon human adaptability through the structures we are creating in institutions, professions, and organisations.

**The forces for change**

It is clear as we move towards the 21st century that we are in an era of unprecedented changes, at both global and local levels, which have the capacity to transform the nature and structure of careers. Indeed, this transformation is the major stimulus behind this report. The transforming forces are well known, but it is convenient to review their likely significance for careers.
The global economy

A complex mix of trends is occurring. There are shifts of economic activity — the world moving in and out of recession. Some economists\(^1\) see these as cycles or 'long waves' of economic change, caused by innovation, diffusion and assimilation of technologies which transform the nature of work and organisation in society. Whether or not one accepts the long-wave theory, the effects of changes in economic activity feed directly through to employment. Career insecurity is heightened during times of recession and high unemployment.

There is the globalisation of business activity and competition. This takes various forms. The instant transmission of information globally, the increasing internationalisation of goods and services, and the rise of new centres of production in the developing world, most notably in the 'tiger' economies of the Asia-Pacific region, are changing employment patterns. One effect in the UK and Western Europe has been to increase competitive pressures to a level which uncouples employment from growth. Part of the price Western economies are having to pay for their social and welfare policies is a level of 'structural' unemployment which 20 years ago would have been considered politically unsustainable. Economic growth is closely linked with companies' ability to increase productivity against a constant or diminishing cost base. In other words, unemployment and associated job insecurity look increasingly like long-term features of the domestic economic landscape. Another effect of these developments is a shift in employment patterns across sectors (described in more detail in Chapter 2). Briefly, this amounts to a shift from traditional extractive and manufacturing industry (primary and secondary sectors) as they become uncompetitive in the face of lower labour costs and diffusion of new technologies, towards co-ordinative and service activities (tertiary and quaternary sectors). The effect on careers is the displacement of large numbers of employees from old to new forms of employment, bequeathing reduced employment status for those whose skills are obsolete and who are unable to adapt to new businesses.

New technologies

Technological innovation is a major engine of these transformations. The visible effects in the last decade alone are dramatic, and the pace and extension of change continue to accelerate. Effects are several. First, automation of formerly labour-intensive processes is displacing people and their skills. This has been most visible in manufacturing — the modern car plant or textile plant looks quite unlike its forebear of 20 years ago, especially in the vastly reduced numbers of workers visible on the factory floor. Now the same trend is spreading to a wide variety of service and office jobs, where a single computer key stroke can invoke an expert system which reproduces the work formerly done by accounts clerks, loss adjusters, editorial assistants and numerous other information workers.

Second, these innovations are also changing the structure of employment in other ways. The availability of high computing power at low cost is reducing the entry costs for small businesses into the formerly secure market citadels of large corporations, such as publishing, investment analysis and design. The effect on careers is a growth in new kinds of organisations, occupations and jobs, and a withering away of many old forms. Corporate structures are not disappearing under this onslaught, since there remain, and will continue to be, businesses where economies of scale still apply, for example in banking, aerospace and utilities. The net effect is therefore that we are entering an era of unparalleled diversity of occupations and organisations, and far more complex and changeable patterns of employment.

The third major impact is in the area of communications and control of work processes and consumerism. Customers can scan, select and purchase goods and services without visiting showrooms, retail branches and offices: for example, a consultancy report recently predicted the halving of the number of bank branches in the UK within the decade. Conversely, through fax, modem and other remote communications media, employees can transact business, hold meetings and make decisions without setting foot in their place of employment. Yet there remain various vital functions which

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cannot be, or which people prefer not to be, conducted remotely — mostly activities requiring or benefiting from face-to-face contact. Thus employment patterns are least affected by new technology in various areas of personal service, such as hairdressing, consultancy services, home maintenance and the like. Again, therefore, one can conclude that the impact of new technology is to increase the diversity of kinds of work rather than effect a simple or uniform transformation.

Another effect of these developments is to make easier the monitoring and control of dispersed operations, encouraging the growth of network-structured organisations, even at the global level, where small branches can be monitored, serviced and controlled from a small information-rich head office. A parallel effect is increased ease of outsourcing various operations. There is less need to maintain internal functions at high overhead cost when there are low-cost newcomers who can offer concentrated specialist provision (eg design, training, accounting).

**Culture**

There are also a variety of political, organisational and value-based changes affecting the structure of employment.

First are a series of changes in the role of the state in the conduct of business. This is most visible in two areas: ownership and regulation. In many areas the state is withdrawing from ownership responsibility for large sectors of economic activity (privatisation), or changing the basis for activity (internal markets, decentralised management and employment). Changes in regulation are accompanying these developments. Where essential public services are placed upon a commercial footing, new external regulatory regimes are introduced to protect public interest and quality. At the same time, deregulation is opening up formerly protected areas of economic activity to new sources of competition (eg transportation, telecommunications). Regulation is also becoming more complex and demanding, in response to external imperatives, such as the requirements of membership of the European Union, global agreements for environmental stewardship, and protection against organised crime, information disclosure and irresponsible decision-making (eg in finance).
Second are various organisational changes — a mix of rational responses to new economic circumstances, and trends and fashions in enterprise management. Pressures for cost reduction, the increased availability of centralised information management and control, and the growth of external specialist suppliers, are responsible for some distinctive trends. These are, in particular, downsizing and delayering of organisational structures, and the outsourcing of non-essential functions. Managerial fashion is visible in these developments in the form of a switch from the 1980s growth of company diversification of goods and services to the 1990s refocusing of organisations around their 'core competencies' — a trend first voiced in the slogan 'stick to the knitting'. This also involves an increased awareness of the importance of 'corporate culture' as a source of strength, resourcefulness and flexibility.

It has become a commonplace organisational rhetoric that 'our human resources are our most valuable asset'. Companies have become aware that a motivated and co-operative workforce may be the critical differentiating factor between them and their competitors, and that the 'tacit knowledge', the uncodified expertise locked up inside their employees' hands and brains, may have more irreplaceable value than their more visible capital assets. The search for ways of realising the full value of employee potential has introduced so-called Japanese management methods such as teamworking and continuous improvement, coupled with older Western ideas about employee 'empowerment' and involvement in local decision-making about operational processes.

Another key element in these trends is an increased emphasis upon performance management as an aid to cost reduction, business focus, and strategic human resources development. Performance-related pay, sophisticated assessment techniques, and new sets of organisation-specific performance criteria — individual 'competencies' — are being widely deployed for these purposes. These developments are highly significant for employees, since they often represent a shift of the goal-posts from the criteria on which their effectiveness has been previously appraised, towards new behaviours for which they

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may have neither the training, experience or supports. At the same time, the restructuring of the personnel function as a result of the decentralisation of business activity has often meant that organisational support for career management has been reduced.

Third are changes in the prevailing values and lifestyle of the labour force. The transformation of work has also meant a transformation in many areas outside employment — recreation and leisure, household labour and maintenance, access to information, and so on. This has blurred many previously firm boundaries: between work and non-work, across multiple roles, and in use of time. We shall discuss some of these in the next chapter. Less immediately obvious, though, are changes in what people want or expect of their work and careers. This too we shall discuss shortly. Here it may be remarked that just as activity boundaries are changing, so are people’s interests and allegiances — away from a simple dichotomy of work and leisure, towards more multiple and ambiguous engagements and relationships, including a partial dissolution of both the nuclear and the extended family. It can be argued that people want both more and less from their work and careers: more in the sense of a growing need for self-control and readiness to assert their rights of self-determination; less in the sense of reduced expectations that an organisation either can or will satisfy their career interests.

### Key points

- Careers are not dead, but undergoing transformation — a broad conception of the career is necessary and of increasing importance.
- Enormous and varied forces for change are affecting the nature of careers:
  - a) economic — changes displacing individuals
  - b) technology and information — creating volatility, new roles and new forms of control
  - c) culture — altering forms of regulation and changing the organisation and nature of work.
- The net effect of these changes is a widening diversity of career patterns and experiences.
2. What is Happening to Change Careers?

Understanding the factors that influence how the labour market is changing is important for developing insights into what factors will shape careers in the future. In this chapter we briefly review some of the main developments taking place in the labour market. We examine demographic trends, changes taking place in the education system, employment patterns and levels of unemployment.

Both the characteristics of the labour force and the pattern of employment opportunities have altered and will continue to evolve in the future. To evaluate what is happening to careers we need to understand these changes.

Demographic and labour market trends

Five to ten years ago it was commonplace to talk about the demographic timebomb and the implications that the reduced number of young people entering the labour market was predicted to have in the 1990s. In practice, because of the recession and some of the other changes that were reviewed in the previous chapter, few employers have experienced the predicted recruitment difficulties. However, the UK does have an ageing population and consequently an ageing labour force, such that by 2001, 34 per cent of the labour force will be over 45.\(^1\) Over the period 1993 to 2006, in a labour force that will contain 30.1 million by 2006, there will be a rise of 2.4 million in the number of people aged 35 to 54 and a decline of 1.6 million in the number of people under 35.\(^2\)

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1 Central Statistical Office (1993), Social Trends, No. 23. London: HMSO
However, the changing age structure of the UK population is not uniform across all social groups. For example, the age structure of the ethnic minority population is very different from that of the white population: one in five of the white population is aged under 16, compared to one in three of the ethnic minority population\(^1\). Consequently, people from ethnic minorities will make up an increasing proportion of the new entrants to the labour force among the younger age groups.

The future size and shape of the labour force is a simultaneous result of these kinds of demographic changes and levels of economic activity — that is, the proportion of the population of working age who are working or seeking work.

The increase in women's participation in the labour market will continue to produce some of the most significant changes in the overall structure of the labour force. Women accounted for 37 per cent of the UK labour force in 1971, 44 per cent in 1994, and are projected to make up nearly 46 per cent by 2006 when women are predicted to have an economic activity rate of 75 per cent\(^2\). However, nearly half (46 per cent) of women currently work part time\(^3\).

Much of this increase in women's participation in the labour market has been driven by a transformation in the working patterns of women with children\(^4\). In 1994, 64 per cent of mothers with children under 16 were economically active, compared to 55 per cent in 1984. The number of women returning to work while their children are still young has also been increasing. Fifty-two per cent of women with children under five were working in 1994 compared to 37 per cent in 1984\(^5\). Women are also having their children later, which means

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1 Central Statistical Office (1993), op. cit.
that more have considerable work experience before they have children.  

Changing demography and the decline of both the extended and nuclear family are having a far-reaching impact on the domestic circumstances of the labour force. In 1991 about a quarter of all UK households were single person households, twice the proportion in 1961; by 2001 one in ten of all households will consist of a man under pension age living alone. At the same time, one in five of families with dependent children are now lone parents. The employment rate for lone parents is much lower than that for parents with partners, especially for those with young children. In 1990, 41 per cent of lone mothers were in employment compared to 61 per cent of mothers with partners. The participation rate of lone mothers has remained static and may even have declined in recent years.

Despite the decision to raise the retirement age for women, the long term trend has been for people to retire earlier. In 1971 four out of five men aged 60 to 64 were economically active. However, in 1995 this figure had declined to about one-half — a trend that is not expected to reverse. A similar decline has been found in the economic activity rate of men aged 55 to 59.

**Education and qualifications**

One of the major long term changes in the population has been the rising level of educational attainment, with the proportion of the UK population obtaining at least some educational qualifications rising from about a third to two thirds between 1971 and 1992. Higher education has also expanded rapidly. The proportion of 18 to 19 year olds entering higher education (the age participation index) increased from 13 per cent in 1981

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to 23 per cent in 1991 and is projected to rise to 31 per cent by 1997. Part of the expansion in higher education is a result of increasing participation among mature students. The proportion of undergraduate students aged 21 and over has risen from 23 per cent in 1981 to 30 per cent in 1991. Older students also account for a growing proportion of postgraduate students, increasing from 36 per cent in 1981 to 45 per cent in 1991.\footnote{Department for Education (1993), ‘Student numbers in higher education — Great Britain 1981/2 to 1991/2,’ Statistical Bulletin, 17/93.}

Staying-on rates (the percentage of young people remaining in education after the age of 16) have also risen. In 1981, half of all 16 to 18 year olds were participating in education, a figure which had risen to 65 per cent by 1992\footnote{Department for Education (1994), 'Education statistics for the United Kingdom,' Statistical Bulletin 1/94.} and is projected to continue to grow. For 16 year olds, the rate of participation in education is expected to increase from 76 per cent in 1992 to 84 per cent in 1997. Only 7 per cent of young people entered employment directly from school in 1993.\footnote{Labour Force Survey, 1993.}

Although historically women have lagged behind men in terms of qualifications, the gap is narrowing, and the proportion of young women aged 20 to 29 with educational and vocational qualifications is currently the same as for men (86 per cent). Girls outperform boys at GCSE, with 48 per cent gaining five or more GCSEs at Grades A to C compared to 39 per cent of boys. Women now account for almost half of all home full-time university students, up from 43 per cent in 1981.\footnote{Central Statistical Office (1996), op. cit.}

The number of first degree graduates is expected to rise to 204,000 by 1997, an increase of 65 per cent since 1989. However, the increase in first degrees has not been uniform across disciplines. For example, the number of first degree graduates in engineering and technology is only expected to increase by 48 per cent over the period 1989 to 1997.\footnote{Department for Education (1993), The Government's Expenditure Plans 1993-94 to 1995-96. London: HMSO.}
In spite of these changes, comparisons with our international competitors are not flattering. Sixty-three per cent of the UK workforce has no degree or intermediate level vocational qualifications. This compares with just 26 per cent of the German workforce, 38 per cent of Dutch and 53 per cent of French workers\(^1\). In 1994, less than half (43 per cent) of all 16 year old school leavers obtained five or more GCSEs at Grades A to C.

In response to the UK's comparatively low levels of educational attainment, there has been a drive to increase the proportion of people with vocational qualifications. The new approach aims to encourage individuals to take responsibility for their own skill development and to be able to transfer their knowledge and skills from one employer to another. The main frameworks for these developments are National Vocational Qualifications (NVQs), Scottish Vocational Qualifications (SVQs) and General National Vocational Qualifications (GNVQs). These new sets of qualifications are designed to run in parallel with more established academic qualifications.

Other initiatives to encourage vocational training include the Management Charter Initiative (MCI), which has developed competences and standards for supervisory, first line and middle managers, and Investors in People (IiP), which was launched in 1991. IiP aims to encourage employers to adopt a more systematic approach to training and development by aligning the training and development needs of employees with the needs of the business. At the end of November 1995, 2,500 employers were recognised as Investors in People and 17,500 were publicly committed to becoming recognised. Between them these employers employ approximately 4.5 million people\(^2\).

### Changing patterns of employment

Three factors characterise the changes that are taking place in the structure of employment opportunities. First, there is the relatively long term and continuing shift in the proportion of employment in different sectors of the economy. Second, there


\(^2\) Investors in People UK.
has been a significant growth in the proportion of employment provided in small firms and of self-employment. Third, there has been rapid growth in the number of part-time jobs.

Much of this change is explained by the growth of the service sector, which includes large numbers of small employers and increasingly requires part-time workers (over 90 per cent of part-time jobs are in the service sector). Women make up 83 per cent of all part-time workers and — as already noted — 46 per cent of women in employment work part time. It is important to recognise that most part-timers (73 per cent) do not want full-time jobs, although a quarter of men who work part time do so because they cannot find a full-time job\(^1\).

Firms employing less than 20 people created over a million additional jobs between 1985 and 1989 and a further 350,000 jobs between 1989 and 1991. In 1993, over six million people were employed in organisations with less than 20 employees. Growth in self-employment has taken place at a faster rate in the UK than in any other EC country\(^2\). By 1993 there were 3.2 million self-employed people representing 12.5 per cent of the employed population. Although men make up three quarters of the self-employed, self-employment has been growing faster among women than men\(^3\).

The numbers employed in manual, clerical and secretarial work are expected to decline over the next decade (the latter largely as a result of the impact of new technology). Growth will continue in managerial and professional occupations. It is anticipated that there will be an additional 1.7 million managerial, professional and technical jobs created between 1991 and 2000\(^4\).

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1 Naylor K (1994), 'Part-time working in Great Britain — an historical analysis,' Employment Gazette, 102, 473-484.


Unemployment

For the past twenty years, the UK along with many of the other industrialised countries has experienced high levels of unemployment. UK unemployment rose from under one million in the early 1970s to about three million in 1986. It reached a subsequent peak of nearly 3 million again in 1992 and has since fallen to 2.3 million in mid-1995. Unemployment is not expected to fall dramatically during the 1990s.

Unemployment in the UK is predominantly a male phenomenon: an overall unemployment rate of 8.3 per cent disguises a rate of 11.2 per cent for men and 4.3 per cent for women. Unemployment rates are highest among the young and tend to correlate with low levels of educational attainment. In 1992, nearly one in five males and one in seven females under 19 were unemployed. However, the majority of long term unemployed people are relatively old.

Unemployment rates are higher among ethnic minorities than among whites. The Pakistani/Bangladeshi group has the highest rate at 28 per cent of the economically active population. People with disabilities also have much higher rates of unemployment.

There are also historic differences in regional unemployment rates in the UK, with higher levels associated with former centres of heavy industry as elsewhere in Europe and North America. The North of England, Scotland and Northern Ireland, in particular, have had higher unemployment rates. In future, differences at sub-regional level between towns may be more important than regional differences, which are expected to converge.

The implications for careers

These changes have implications for individuals, employers and society as a whole. We consider each in turn.

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1 Central Statistical Office (1993), op. cit.
For individuals

Changes in the pattern of employment opportunities are primarily the result of the changes in the structure of employment (see Chapter 1). An increasing proportion of all jobs will be with small to medium sized employers and more people will be self-employed. The number of part-time jobs will also increase. The continued expansion of job opportunities at managerial and professional levels (including more part-time job opportunities at these levels) will benefit those with educational and professional qualifications and women in particular. Gaining educational or vocational qualifications will, therefore, remain a good investment.

One implication is that with more frequent job transitions all individuals will have to acquire the skills for personal career management: that is, job-search, networking and related skills (see Chapter 5). As more people become self-employed or work for small businesses, business management skills will also become more important for a greater proportion of the labour force.

The situation of those marginalised by the labour market, such as the long term unemployed, people with disabilities, those with few qualifications and young people from ethnic minority backgrounds, requires serious consideration. This grouping also includes many people working in declining employment sectors, such as manufacturing, who may lose their jobs as these sectors continue to contract.

Older and experienced workers will need retraining. Older workers and those who become unemployed when they are displaced from employment will have to respond to the demands placed on them to adapt, retrain and cope with change. Their need for support during this process must be recognised.

Young people with few qualifications may be discouraged from entering the labour market if the only jobs available to them are low paid and of limited duration. However, even the most well qualified, such as graduates, will have to consider a wider range of career options than in the past.

If men continue to make up a disproportionate number of the unemployed, there may be pressure on them to redefine their
traditional roles. However, many couples and families find reversing traditional roles difficult.

**For employers**

Many of the new jobs being created in the service sector are part-time with low pay and status. Employers have been able to attract women into these jobs because they offer the opportunity to combine work roles with domestic, childcare and, with an increasingly elderly population, eldercare responsibilities. In the future, women with equal, and often better, educational qualifications than men will demand more opportunities for career progression and greater flexibility in working arrangements. As a result, employers are likely to come under increased pressure to make better provision for childcare and to adopt more 'family-friendly' employment practices. Couples, where both partners work, are likely to require employers to be more flexible in their requirements for geographical mobility.

Employers will also have to be more flexible in terms of employing and training older workers. This will require a significant culture change for many employers who have been reluctant to employ older workers in the past and even more reluctant to consider them as suitable recipients of training and development opportunities.

Employers can look forward to young people being better educationally qualified than previously, but will have to learn to recruit from an increasingly diverse graduate population and cope with shortages in some subject areas (eg engineering, science subjects).

**For society**

Although levels of educational attainment have improved and new forms of delivering vocational qualifications are being developed, if we are serious about becoming a high skill, high value-added economy, much more attention must be paid to developing mechanisms that reward skill development and encourage both individuals and employers to invest in the future employability of the workforce (see Chapter 6). Ways of providing access to career support throughout people's working lives will also be required.
The funding of retirement and the long-term cost of looking after an increasingly elderly population will also have considerable consequences for society as a whole. It may be cost-effective for care of the elderly to be done by their families in the community. But many people may be reluctant to give up their own paid employment, particularly if this incurs long-term financial liabilities for their own old age.

Other implications for society of the changes taking place in the labour market are concerned with maintaining social cohesion and social equity. The exclusion of some groups from the labour market because of low level or obsolete skills, creates social tensions. Even those who are more successful in the labour market are likely to be making more job transitions, with consequent risks for their ability to enter into long-term financial arrangements, such as mortgages and pensions.

**Key points**

- The workforce of the future will be older as a result of population changes. It will be better educated and possess more vocationally relevant qualifications. The number of women and people from ethnic minorities in the labour force will continue to increase.
- More people in future will work for smaller employers and be self-employed. As a result people will be making more job and career transitions and will need to acquire the necessary skills for personal career management.
- Many new jobs will be part-time and of low status in the service sector. There will be an expansion of job opportunities at professional, managerial and technical levels. Unemployment is projected to continue at present levels for the foreseeable future.
- Employers need to learn to manage the new more flexible workforce and to adapt to employing more older workers.
- Members of households need to be flexible in adopting complementary and, perhaps, non-traditional roles.
- Society needs to respond to the threat to social cohesion and social equity that the changes taking place in the labour market portend.
- More standardised information is needed at a national level on employment trends and factors affecting careers.
- A major programme of research is needed to shed light on developing employment trends and their implications.
3. What Will Careers Become?

Apocalypse now?

It has become fashionable to proclaim not only the death of careers but the death of ‘jobs’ as we know them\(^1\). Undoubtedly the world of work has been changing at a great pace through the developments we have described. Charles Handy has eloquently portrayed the landscape of this new world\(^2\) in terms of changes in the structure of employment and their effects on individuals. Two sets of his observations are worthy of further comment.

First, he describes a number of new organisational forms, such as the ‘clover leaf’ and ‘donut’, which amount to what an earlier writer foresaw in the ‘flexible firm’\(^3\) — organisations where there are growing divisions between ‘core’ employees who enjoy rights of full participation, and other semi-casualised (eg part-time) and servicing (eg outsourced and collateral) components. This new segmentation of the labour force is increasing; but at the same time traditional forms remain, and will continue to exist for the foreseeable future. The major blue-chip companies of the economy may be restructuring in many of the ways described, but most are still predominantly devoted to the strategy of hiring their managerial staff at early career-entry level and developing them as tailored organisational assets via internal human resource systems. For example, fast-track management development routes, which require long-

\(^1\) Bridges W (1995), Jobshift. London: Nicholas Brealey.
term employment relationships, have undiminished popularity, and external recruitment to middle management positions remains comparatively rare (mainly to import technical specialists and, occasionally, top executives).

Although large corporate employers are the reference model for much writing about careers, they represent only a modest portion of the extant labour market. In the UK, and elsewhere in the industrialised world, small and medium-sized enterprises (SMEs) account for a large portion of total employment. Indeed, this has been true for a very long time and is becoming more so, as we saw in Chapter 2. It is also true that the idealised corporate model of continuous managerial career development has never fitted the experience of large numbers of employees. Across the spectrum of management employment, mobility between firms and often quite different functions has been commonplace.1

This brings us to Handy's second set of observations, about the changing pattern of career experience. One element is what he calls the 'portfolio' career, in which individuals seek strategic job moves and developmental experiences to compile marketable and refreshed skill profiles which keep pace with the rapid changes in roles and job demands. Another element of note is that for many people the aggregate volume of working time has been reduced through shortened weekly hours, annual days and career-length years. Both these elements are visible, but again it needs to be emphasised that what we are seeing is a much greater diversity of career experience than a straight switch from a 'traditional' to a 'post-modern' scenario. Some individuals are compiling portfolios of experience in a self-determined way; others are doing so more haphazardly, driven by company shake-outs and closures or by dual-career family constraints; while others remain locked into fairly stable employment conditions. It is also true that aggregate lifelong hours of work are reducing, but the trend is not even across the labour force. For the decreasing proportion of 'core' employees, the pace and duration of work has been intensifying, while for many others, more casualised relationships and reduced demand prevail. This latter experience is very much associated with the increasing numbers of women in the labour force, the

need for mid-career re-equipment through education, and a widening multiplicity of other work and non-work involvements (eg it is quite common today to find individuals holding more than one part-time job).

In short, it has never been safe to make simple generalisations about what is happening to careers in terms of which patterns are 'normal', and today it is nigh impossible. However, we are able to identify how patterns typically differ by demographic, occupational and sectoral classes. For example, more fragmented and mobile careers are especially characteristic of women, technical specialists, and people in small and medium-sized enterprises and in personal service organisations.

The question to be raised here is whether what people seek and derive from employment is changing. This question is important in the present context since it relates to (a) whether we are witnessing changes in the kinds of career choices people make, and (b) what kinds of reactions can be anticipated to altered structures and conditions of employment.

**Qualities of experience in work and employment**

First, it can be asserted that people's requirements of work have remained constant, as witnessed by the unchanging qualities of social life and enduring truths about human needs. The former consist of explicit and implicit employment contracts, involving a trade of contributions and inducements. These remain the predominant operating model in most economic systems, though there are increasing numbers of organisations where a non-calculative contract operates, such as voluntary and not-for-profit organisations (though even in these, implicit contractual relations can be discerned). We shall enlarge upon the topic of contractual relations shortly.

The second assertion about enduring human characteristics is represented within psychology as a debate about the nature and structure of human needs. There is general agreement that these broadly centre on universal needs to protect and enhance one's secure physical existence, relationships with others, and effectively adaptable identity functioning\(^1\). At the same time,

individuals differ widely in the emphasis and value they place upon each of these domains. These are variations on constant human themes.

One of the most well-documented explorations of what people derive from work was Marie Jahoda's in-depth empirical analysis of what were the evident deprivations of high unemployment in an Austrian village of the 1930s. She claimed that work, or more accurately employment, was for many a unique source of time structure, social contact beyond the family, personal goal achievement, identity enhancement and meaningful activity. Other writers have enlarged this analysis, especially by understanding the irreplaceable economic value of paid employment to life quality. It has also been pointed out that deeper psychological needs are fed by work experience, such as the containment of anxiety and the reworking of earlier unresolved family relationships.

Work, of course, is not synonymous with paid employment. For increasing numbers of people, meaningful 'work' thrives outside traditional structures of employment. This has long been recognised within the women's movement and in discussions of the tasks, skill utilisation and gratifications of household management and labour. The growth of casualised employment relations and the enrichment of activity, association and choice outside the traditional structures also suggest that people are able to satisfy enduring needs in many ways other than through employment. Nevertheless, the financial imperative of paid work remains an overriding limitation on the capacity of these alternatives to substitute for employment. Job insecurity will therefore continue to act as a corrosive influence on the quality of life of individuals and their families.

Career expectations

However broadly we try to define careers, the idea of 'progression' remains of critical importance. Even casualised and waged staff without expectations of significant status development look forward to enhancements of their standard of living, their social and recreational involvements, and their children's life chances. In this respect, the rapidly changing nature of work offers both an opportunity and a threat. The opportunity is continued skill enhancement and, where 'empowerment' strategies are genuinely being applied, a chance for a more meaningful stake in local decision-making (though unfortunately there is more rhetoric than reality in organisations' development of these strategies). The threat is obsolescence: it is the youngest and smartest to whom re-skiiling opportunities mainly fall; for the rest, premature obsolescence with little expectation of alternatives is often more likely.

This threat increasingly hangs over other groups for whom career development has traditionally meant some expectation of status progression. It has always been a feature of career development that ascendency from the shop floor to the boardroom has been the achieved dream of a very small minority, though a lure to many. For the majority, the pyramidal structure of employment inevitably means that early-career status progression is followed, sometimes rapidly, by a 'plateau'. Progression thereafter consists either of skill enhancement and role evolution within the organisation, or of lateral movement and career change. Current developments in the structure of employment — shortened hierarchies, decentralised operations, federated structures and the like — mean that plateaux are arriving earlier and more unpredictably to more people, and that job insecurity is spreading through the ranks of those who formerly felt themselves to be reasonably immune, most notably middle managers.

A major consequence of this has been rising concern and awareness of the need for 'career defence', i.e. to protect oneself against the threats of redundancy, stagnation and obsolescence. Some respond by acceding to pressures to work harder in order to gain favour with an employer. Others adopt more autonomous or self-oriented strategies. Later, we shall be discussing the changing role of qualifications in career development (see Chapter 6), but here it may be noted that the
growth of attempts to standardise and recognise skill sets through National and Scottish Vocational Qualifications (NVQs and SVQs) and the Management Charter Initiative (MCI) are an implicit recognition of the widening need for career defence. People are increasingly aware of the need not just to arm themselves with marketable skills, but for these to be accredited additions to curricula vitae, and portable and visible recognitions of ability and attainment.

The changing employment contract

We noted earlier the uneven development of organisations’ responses to the new conditions by introducing new systems and structures. A central theme to be considered is the changing explicit and implicit contracts that are being created. Formal contracts have rarely involved solid commitments to lifelong career development, as large numbers of redundant employees can testify; and in areas where they did exist (eg in academia and other professions) they are increasingly being replaced by less binding arrangements. At the same time, there is a growth of new fixed-term contracts, annualised hours and other arrangements which enshrine temporary or transactional deals.

But for most employees it is less the formal contract which has changed than the psychological contract — the informal mutual expectations of employees and employers\(^1\). There are several elements to this. First are unstated but strongly-felt reduced expectations of security and advancement, to which employees’ psychological response is a shift from traditional commitment and loyalty to the employing organisation, towards much more provisional and calculative orientations. Second, the response of organisations involves a new rhetoric: that of career ‘self-management’. Many employers are communicating the expectation that their staff will, via appraisal and other review processes, take a more active and self-determining role in specifying their developmental needs and aspirations. The human resource function is expected to shift its role from paternalistic career management, ie making assessments and placement decisions from a centralised service function, \(^1\) Herriot P, ‘What will careers become, or what will become of careers?’ and Hirsh W, ‘What will careers become?’. Contributions to the ESRC Careers 2000 Seminar. See also Herriot P and Pemberton C (1995), New Deals. Chichester: Wiley.
towards a more facilitative role. The new deal that is increasingly spoken of is a substitution of ‘employability’ for ‘job security’, i.e., the employer will offer opportunities for career defence through skill and experience accumulation. The problem here is that the rhetoric is running well ahead of the reality and is failing to satisfy employee aspirations and needs, for three reasons.

First, organisations are not supplying, or cannot supply, the ‘facilitative’ mechanisms to support self-management. New decentralised and delayered structures often make it difficult to open up the pathways employees might desire. For example, where businesses have decentralised operating units as profit or cost centres, local management often tend to restrict the mobility of those they consider to be assets and not to open up opportunities for transferred people who, because of the necessary learning curve, could be viewed as costs. Mentoring systems are supposed to act as correctives to such rigidities, though their use is uneven, and mentors often lack the legitimate power to sponsor the moves desired by those they mentor.

Second, performance management systems (such as performance-related pay) often create pressures contrary to the development interests of the individual, i.e., to perform rather than to learn.

Third, mixed messages are sent when highly paternalistic fast-track systems, and management development programmes for a favoured few, coexist alongside the rhetoric of self-management. If employees are to be re-socialised to new expectations about career management, organisations will have to look closely and self-critically at the mix of practices they operate.

The net result of these developments, as some writers have observed, is a widening gap between two main kinds of psychological contract. The first is ‘relational’ contracts for the favoured few, in which security and advancement continue to be the inducements for loyalty and commitment to the organisation. The second is ‘transactional’ contracts for the many, in which specific obligations are required in exchange for particular benefits, material or personal added-value outcomes.

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In summary, therefore, the future of careers is towards a more mobile, uncertain and divided workforce. So far, there are few grounds for optimism that employers have fully appreciated what this climate implies for reform of their own practices. Indeed, paradoxically, the new structures which are emerging seem likely to limit severely their capacity to deliver according to their rhetoric or to meet the needs of employees. This suggests an expanded role for existing guidance agencies, and indeed the foundation of new guidance agencies, to supply information, skill enhancement and advisory resources to enable people to achieve a higher measure of self-determination and effectiveness in their career development (see Chapter 7).

Key points

- The old corporate and professional career models are becoming less relevant to many people but will continue to survive in some areas.
- More fragmented and mobile careers will be the experience of many groups.
- Job insecurity will continue to spread across the labour force, with many negative consequences.
- Changing structures of employment are creating a need for ‘career defence’, especially for managers and professionals.
- An increasing mix of implicit career contracts is becoming visible and these need to be made more explicit by employers.
- The new emphasis upon ‘self-managed’ career development is under-resourced and unsupported.
- More resources are needed for outplacement and job-seeking skills among groups especially vulnerable to displacement.
4. How Should Employers be Managing the New Kinds of Careers?

The new career environment

The rapid and continuing changes taking place in many organisations have created uncertainty about the role of the employer with respect to careers. In the past, the management of careers was a significant activity for many people working in personnel departments of large employers, but the changes in the global economy, in technology and culture, described in earlier chapters of this report, have led to the decline of many of these systems. On the other hand, only a few small or medium-sized employers ever consciously managed the careers of their employees. In large companies and many public sector organisations, decentralisation and restructuring have tended to lead to confusion as to who is responsible for careers, and even doubt as to whether careers still exist.

However, we have already noted the significance of the concept of a career to individuals (see Chapter 1). It is also important to recognise that for employers the career has been the means of producing high level and specialist skills — albeit for a small minority of their employees. In the future, one major challenge for employers is going to be how to formulate and deliver strategies that will harness the potential and develop the skills of all their employees. Such an approach must be predicated firstly on a clear understanding of the role of learning and development activities for the individual and the organisation, and secondly, on an ability to devise and implement appropriate strategies for career development.
The learning and development imperative

Several commentators have noted that, if the UK is to maintain its present standard of living, it must become a high skill economy. While some progress has been made in improving levels of educational achievement in the UK, our education and training system is still front-end loaded, in that the majority of education and training activity takes place before young people enter the labour force. Although it is desirable for young people entering the labour market to be better educated than in the past, as they will make up a declining proportion of the labour market in future, employers must realise that there is an urgent need to train and develop those people who are already in the labour market, regardless of their age or career stage.

Unfortunately the need for the UK and UK businesses to invest further in learning and development is not about maintaining our pre-eminence in this area: instead, it reflects an urgent need to catch up with our international competitors. The UK remains near the bottom of the skills league ranking — 21st amongst industrialised countries — and it has become commonplace to criticise the training performance of UK companies. However, there has always been a wide diversity of practice, with a small minority of employers having good records (although even in these companies training activity has often been restricted to key groups of employees).

Nor is investment in learning and development just about increasing individuals’ future employability, although this remains an important benefit. More significant is the recognition that organisations’ ability to innovate faster than their competitors is likely to underpin future business success. This is one of the reasons why there is such interest in the concept of the learning organisation.

Changes in the workplace that we have already identified — new technology, and the fact that much work now involves handling information — also put a premium on learning. The fact that managerial and professional occupations, which by

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definition require higher levels of educational and vocational qualifications, are one of the main areas of employment growth also supports this argument.

From training to career development

There have been a number of initiatives, such as IiP, the Management Charter Initiative, NVQs and SVQs (see Chapter 2), to improve the quality and amount of training and development in UK employing organisations. These have set out to encourage employers to offer training, and individuals to take greater responsibility for their own skill development.

One danger with these initiatives is that they appear as a fragmented set of independent activities lacking focus and direction. To think in terms of career development, rather than training, may be helpful for employers and individuals in today's more flexible labour markets1. This implies a number of principles about how development and training should be organised so that:

- most development takes place in the workplace rather than on external training courses
- development activities are best delivered by work colleagues and line managers
- development focuses on future job skills as much as skills for the current job
- training and development activities for individuals and organisations have a clear purpose, order of priority and sense of direction
- training and development proactively anticipates future organisational requirements
- genuine equality of opportunity is achieved by opening up options for learning and development to all employees.

It is apparent that career development underpins people processes in organisations and is directly relevant to the issue of coping with future uncertainty. The fact2 that many job moves

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1 Davies H (1994), op. cit.
are into newly created jobs also supports this view. Access to career development opportunities for employees in small organisations will be particularly important in the future because more people will be working for small employers.

**A structure for career development**

Operating in a turbulent business environment both internally and externally, many organisations have lost track of the reasons why they should be concerned about career development. In the past, when career development was restricted to people judged to be of high potential and of long term value to the organisation, career development processes were used to ensure that these people acquired the range of high level and specialist skills and experiences needed to occupy senior positions.

While new processes will be required if career development is to be extended to all the people who work for the organisation, there is a need to be clear about the underlying purposes of career development activities. There are five purposes for such activities that apply equally to the individual and the organisation:\(^1\):

1. **Assessment** — activities to provide the individual and organisation with the opportunity to learn about the individual’s strengths, weaknesses, interests, etc.
2. **Career options** — activities to assist individuals' and their managers' understanding of current and future career and job options.
3. **Action planning** — planning of specific, concrete, time-based learning activities by individuals and organisations.
4. **Skill development** — activities to promote or deliver skill development.
5. **Vacancy filling** — activities designed to manage the internal labour market in line with business needs and organisational culture.

Organisations can use a variety of processes to deliver these objectives (see Figure 4.1). The activities are designed to support career development, although their successful implementation in a particular organisation may not be straightforward, since their effectiveness requires a favourable cultural context which supports negotiation between the individual and the employer. However, the methods for designing and structuring career development activities are well understood\(^1\). The range and extent of activities that are required by small organisations are less than those required by large organisations. In small organisations, some career development activities may have to be resourced externally, but others can be successfully handled informally if there is a sufficiently high level of trust and openness. Some Training and Enterprise Councils (TECs) have pioneered services for small employers, although lack of long-term funding has frequently hindered the development of these activities.

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2 See, for example, Jackson C (1990), Career Counselling in Organisations. IMS Report 198. Brighton: Institute for Manpower Studies.
It is important to stress that the purpose of carrying out career development activities is to enable an organisation to be more proactive in the future: it is one element of a strategy to make an organisation more resilient. However, it is often difficult to start to put such a strategy in place when an organisation is undergoing radical change such as restructuring or downsizing.

One of the drivers for developing this new type of strategy for careers is a cultural change in employee expectations. This implies a need for more dialogue between individuals and employers about career issues, with openness a key value in its conduct. For instance, it is becoming the norm for vacancies in organisations to be advertised internally. This approach replaces traditional appointment processes which were often secretive and paid uneven regard to individual wishes.

**Uncertainties about roles and responsibilities**

As organisations have delayered and decentralised there has been a trend to pass greater responsibility for personnel processes to line managers. While line managers welcome some aspects of this new responsibility (eg the right to appoint people to jobs), in other areas this responsibility frequently creates tensions between short-term business pressures and long-term development considerations. Some aspects of performance management (eg performance-related pay) expose the dilemmas that managers commonly face. The pressure to get the job done and to meet performance targets with ever fewer people, for example, often means that managers are unable to offer or deliver development opportunities. Moreover, many otherwise skilled and effective managers lack the time or resources to develop key coaching skills.

Similarly, if the performance appraisal process is being used primarily to gather evidence about individuals' performance to determine their pay, it is unlikely to provide an opportunity to discuss development. Some organisations have established separate processes to review development needs.

Unfortunately, in many organisations employees fear that to express development needs is a sign of weakness rather than of strength. This often means that the people whose development
needs are greatest receive the least attention. Organisations must also recognise that it takes time to establish levels of trust between an individual and their manager, and between an individual and an organisation. Some aspects of personal career plans are never likely to be discussed.

One, perhaps unanticipated, consequence of the delayering of many organisations' management is that it is no longer straightforward for subordinates to move into their managers' jobs. Often it is necessary to experience several job roles at one level in an organisation before moving up the management hierarchy. Even for individuals who are unlikely to progress their careers in this way, the main way of gaining wider experience is to change jobs at the same level. Facilitating lateral and cross-functional job moves is one of the most difficult activities for organisations to achieve in the current climate. They require considerable organisational and managerial support. Even with such support they may involve considerable risk both to the individual and to the organisation.

The need for a strategy

There are several reasons why organisations need to have a strategy for career development. First of all, organisations need a strategy to enable them and their employees to manage the changes taking place in the business environment. Second, they need a strategy to restore the confidence of those employees who have survived corporate downsizing and restructuring. Third, organisations need a strategy to achieve a greater degree of coherence in their policies. Finally, a strategy is required to take an organisation from a situation where policy and practice are fragmented between different parts of an organisation and discrepant between different groups of individuals, to one where there is a coherent framework for career development.

It is important to recognise that even when organisations have no formally articulated strategy for career development, they almost certainly have an implicit view of many of the key elements of such a strategy. These cover such elements as how people are valued, the ownership and ways of managing

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careers, the skills that are valued, and the type of career paths that exist in the organisation. Making these elements explicit and examining their relevance to future business needs is a critical step in developing a strategy for career development.

**Implementation**

It will be more difficult to implement a successful career development strategy in an organisation that is changing rapidly. Yet for many organisations this is the present and continuing reality. A second difficulty is that investing in career development is something that may only pay off in the medium or long term.

Almost by definition, a successful strategy for career development is something that evolves over time. It is built up by the development of an integrated set of initiatives that aim to satisfy various objectives. However, the actual mix of activities is likely to be organisation-specific. It will need to reflect the structure of employment opportunities in the organisation and to address key employee concerns, such as might have been identified through an employee attitude survey. A strategy is only likely to be successful if there is:

1. **stability and continuity** — This means keeping initiatives in place long enough for them to become embedded in organisational practice and for employees to understand them fully.

2. **quality of implementation** — Attempting to do a few things well is better than attempting to deliver too many initiatives and being unable to give them the support they require.

3. **co-ordination** — If different activities use common frameworks they will enhance and support each other and the output from one process can be used as the input to another.

4. **evaluation** — A critical weakness of much activity in this area is the lack of evaluation.

**Future directions**

Earlier, we saw that competitive pressures and other forces are changing organisations as contexts for careers. We have described the effects as limiting career opportunities for large sections of the workforce, including many managers. Some of
the most important of these effects are on mobility. Mobility is a key concept in career management, since it is through exposure to jobs of differing kinds that some of the most important career development takes place. Specific effects on mobility to be seen currently include reduced opportunities for movement up the hierarchy, because of delayering and zero growth, and reduced lateral mobility, through more segmented business arrangements (eg cost and profit centres, network structures and the like). At the same time, there has been a decline in the old centralised paternalistic human resources functions, which used to broker much career mobility. It is increasingly common to find stripped out personnel functions at the centre, with bread-and-butter elements for training and recruitment decentralised to operational divisions and under the control of line managers, and with specialised services (eg psychological testing, job evaluation) outsourced to consultancies. The language of career development in organisations has changed to accompany these developments. Employees are increasingly exhorted to 'manage their own careers'.

The problem this creates is that organisations rarely equip individuals to do this. In order to manage your own career within an organisation you need:

- to know what you want and can do
- to be aware of the full range of opportunities which might meet your developmental needs
- a medium through which communication and exchange about mobility can take place
- facilitating systems and resources to support your mobility.

Job-posting systems — open advertising of job opportunities within a firm — are a step in the right direction, and are being adopted by many organisations, but they need important supplements to create the necessary dynamism and mobility of a potential-fulfilling career system. They require:

- individuals to have positive beliefs about development possibilities and the will to pursue them
- information about the real requirements and developmental opportunities of positions
- management systems which encourage and foster internal mobility.
In some organisations, this is achieved; for example, one computer firm has introduced 'person-posting', self-advertisement on the internal network, as a counterpart to the usual job-posting, to encourage a really mobile internal labour market. However, all too often management systems allow local needs to dominate the career system. Individuals may apply for jobs in other parts of the organisation, but if they are valued human resources, they are clung on to by their increasingly hard-pressed managers. In these circumstances, job posting serves only to enlarge short-lists for jobs, without serving to open up genuinely new career paths.

Organisational career systems of the 21st century are going to have to make much more strenuous efforts to open up their internal structures as genuine labour markets, by more useful and free-flowing information, more managerial dedication to creating new lateral pathways between divisions and functions, and more resources to encourage and equip individuals to think laterally about developmental opportunities. Information technology can be put to new use in mediating this kind of transfer of information and people.

However, it is also true that the single organisation, especially the small or medium sized firm, cannot satisfy the career development needs and aspirations of all its people. Specialist professionals have always known this and have built their careers as much between as within organisations, eg by moving employers every few years. This phenomenon, the 'hobo syndrome' as it has been called, has increased among other sections of the workforce in response to the decline in opportunities within organisations. Rather than leave this process to chance, or to be restricted to the most outwardly mobile and motivated employees, companies should rethink how they might benefit from and manage the process of inter-organisational mobility for a wide range of employees. One recent move in this direction is the establishment of commercial

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Career Action Centres\(^1\), such as have been founded in Silicon Valley to provide expert career services (eg outplacement and counselling) for consortia of subscribing companies. One can imagine how such a collective local resource could be put to wider and more imaginative use, allowing companies to develop inter-organisational mobility and developmental strategies, eg brokering sabbaticals, swaps, and other means to expand the career possibilities of individuals, whilst at the same time enriching the human resources of participating organisations. In some traditional sectors informal arrangements of this kind have long existed, for example in the training programmes of some geographically clustered textile firms in the UK. But such thinking remains alien to the bulk of business, where competitive advantage is taken to mean the firm operating as an autonomous entity rather than as part of a community of common interest. In other words, it will require bold and imaginative leadership for companies to move in this direction: to see their interests as lying beyond their boundaries in communities of shared interests within a sector or region. TECs could have a creative role to play here.

Otherwise, it will only be proactive and self-interested individuals who exploit such possibilities. The Internet, for example, is likely to prove an increasingly-used medium for this purpose among managerial and professional groups. Employers would do well to recognise this and take an active and responsible role in establishing creative inter-organisational career development strategies, not just to satisfy employees but for the sake of their own business needs.

**Key points**

- Employers are often uncertain about how to develop and manage the careers of their employees.
- There is an urgent need for UK employers to invest in training and development activities.
- Career development provides a context and framework for thinking about learning and development in an uncertain business environment.

• Uncertainties about roles and responsibilities, frequently brought about by organisational restructuring, as well as by tensions between different processes, undermine successful career development.

• A strategy for career development provides a framework for learning and development activities and is necessary to achieve coherence in policies.

• Companies need to match the rhetoric of self-management with more effective support for career development processes and increased opportunities for mobility across internal barriers.

• Portability needs to be made a more explicit and valued criterion in what is made available to individuals in skill development and reward packages.

• Access to career development is just as important to employees of small organisations as to those of large organisations.

• The provision of services such as Career Action Centres by external providers, eg TECs, is one possible route for supporting career development for employees in the expanding small business sector and for encouraging inter-organisational mobility.
5. Individuals — What Should They be Told About Careers?

Setting the scene

The overall message for individuals is simple but not necessarily so easy to implement effectively. In highly competitive markets for businesses, it is ever more important for individuals to compete effectively in the labour market. This means identifying and acquiring skills and knowledge that are required in the labour market now and in the future. It means knowing one's own preferences and limits, and perhaps pushing back those limits and overcoming weaknesses. It means understanding what is happening in the world of work, and knowing how one's own attributes compare with those of other people. It means publicising and presenting oneself effectively on paper, in person and electronically, to a variety of audiences in formal and informal situations.

The they in the title of this chapter can be taken to refer to anyone. However, some people are in a much better position than others to manage their own careers. Some individuals have, or are able to develop, the required skills much more readily than others. Some people are much more in demand in the labour market and have a much wider range of choice. Proposing that self-management of careers is relevant to people in disadvantaged labour-market positions may seem surprising, perhaps because being in that position leads one simply to take what one can get. Yet even here there is scope for using career management skills, albeit within a constrained environment.

Regarding being told, many counsellors who adopt non-directive techniques would be reluctant to tell clients what to do, for the good reasons that generalisations do not necessarily apply to any given individual and that telling people does not
encourage them to take responsibility for finding out and coping themselves. However, people do need to be given specific information and guidance about labour market realities: a person has a better chance of managing something if they have accurate information than if they do not.

Endpoints

A dominant theme in career choice has been the common-sense proposition that people are best-advised to choose work which fits their skills, interests and values. The realism of this view for people in a weak labour market position has been challenged, yet remains influential. It suffers from being too readily construed as a once-for-all matching of a static self to a static occupational world. Many observers have noted the inflexibility of this way of thinking. People change and so do occupations. The same occupation might be pursued rather differently in different organisations, and by different individuals.

But more fundamental is the point that a match between self and occupation is no longer the only desirable goal for an individual. Maintaining one’s employability and obtaining work which extends rather than reflects one’s occupational and personal identity are also important. So in making choices of occupations and jobs, people need to pay more attention than hitherto to whether the occupation/job will require skills that are likely to be in demand in the future labour market. They will need to think not only ‘is this me?’, but also ‘could this be me, and will it serve my longer-term interests if I try to develop in this way?’.

There are also other new factors in the equation. Individuals need to consider the implications of being a ‘core’ member of an organisation or on the ‘periphery’ where one’s services may be demanded intermittently and unpredictably. This choice, if it exists for a person, involves their preferred lifestyle and sets of

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values embodied in what have been termed career anchors\(^1\). A key point is that neither core nor peripheral workers have the security that some employees once believed their organisations would provide. Individuals must therefore be prepared to cope with changes in employer, location, home, and type or style of work. This means developing skills of managing transitions and settling in quickly to new environments. It may mean learning how to establish good relationships in an environment without becoming so immersed that moving out becomes traumatic.

Individuals need to know that being a core member of an organisation may require willingness to learn many different kinds of work over a period of time, including some which one would not necessarily have chosen. It will mean more team-working, and perhaps the co-ordination of bought-in specialists rather than being the specialist oneself. It may also mean geographical relocation for the sake of the organisation. So being a core member of an organisation is not a return to what some might see as the good old days — it requires flexibility, tolerance of uncertainty, and willingness to learn new skills.

The alternative, of having specialist skills and knowledge which one sells to an organisation for a limited period, is already common in some industries — computing and publishing, for example. For individuals it means devoting considerable time to finding and bidding for work, and the continual updating of one's skills in the light of technological change and market requirements. It means frequent readjustment to different organisational practices, limited colleague relationships, and perhaps more attention to pension and other arrangements to achieve financial security.

How does one know whether one's choice of occupation or job has been successful? So-called 'objective' indicators like hierarchical status and salary are becoming more difficult to use. Delayering, outsourcing and increasing ambiguity of career paths in organisations mean that one's status may be ambiguous and/or difficult to change. Although the move towards individual contracts has been limited\(^2\), it is increasing, so it


becomes harder to know how one's salary compares with others'. Individuals therefore need to be active in deciding what career success means to them. Put another way, the subjective career\(^1\) is becoming more significant relative to the objective career (see Chapter 1). So not only must individuals deal with more complexity in career choices: they must also know their own values and situation well enough to evaluate whether their choices have been successful.

**Tactics**

So how can individuals maximise their chances of achieving the endpoints described in the previous chapter? Self-management skills are vital, and no amount of technical updating can compensate for their absence. They need greater attention in career guidance work and from individuals in managing their own careers\(^2\). Some of these skills have already been mentioned. Others we shall discuss shortly. Broadly, they include self-assessment and self-awareness, organisational analysis and networking, negotiating skills, scanning the labour market and working under different forms of contract.

**Tactics in general**

Although it was argued above that the match between self and occupation is no longer the critical objective, it is nonetheless the case that careful analysis of one's values, interests, skills and limitations is still crucial to managing a new career. Individuals need not only self-knowledge, but also to be able to monitor change in their self-identity over time.

Being able to tolerate or even welcome uncertainty is also useful, though simply telling people this is hardly likely to achieve the desired result. Flexibility is important, and not just for younger people. Older people cannot assume that they have 'made it' to calm waters where navigation is easy or safe.

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A recognition that the nature of work is heavily influenced by global technological and economic changes outside one’s control needs to be combined with a sense that within those constraints one has to exert what control one can. Furthermore, it is necessary to monitor carefully the changes one cannot influence rather than ignore them entirely. This does not necessarily require a careful reading of economic and other gurus: keeping a watch on the kind of jobs that are available and monitoring the relevant professional or trade press are obvious strategies. Individuals also need to explore what new information networks are becoming available (e.g., the Internet).

Global trends are just that — global. They have a general effect which may be evaded by some individuals. So, for example, although manufacturing industry in the UK employs fewer people than it did, many people are still employed in the sector, and people continue to enter it. As careers advisers have long known, one should evaluate one’s chances of moving against the tide rather than automatically drifting with it.

As well as finding out about the global environment, individuals can usefully find out about their more immediate environment and perhaps even influence it. A useful checklist for finding out about jobs can be expressed as a hierarchy of career learning activities\(^1\) encompassing:

- noticing who does what
- seeing how work roles depend on each other
- appreciating how roles vary between places and times
- using ‘public’ classifications of types of job alongside personal ones
- appreciating different points-of-view on work, role and self
- choosing between influences, knowing which one wants to accept and which to reject
- estimating probabilities of outcomes arising from certain actions.

This illustrates the important point that finding information is only the first step. As in any learning, thinking must be brought

to bear on the information obtained. The thinking involves recognizing that there is more than one way of interpreting information, and that individuals need to arrive at their own interpretation, reflecting as much as possible their objective circumstances and personal values.

It is important for individuals to recognize that their skill development and employability can be enhanced through activities that might be classed as leisure. Periods outside paid work, enforced or voluntary, may be times when individuals can develop their range of technical and interpersonal skills, and also their contacts. Recreational and leisure groups may also enable individuals to derive a sense of belonging and continuity, and thus reduce anxiety, to an extent which is more difficult to achieve in the workplace than it used to be\(^1\). However, it is the case that the negative financial and psychological consequences of unemployment in practice often severely limit such opportunities\(^2\).

There is considerable concern in the UK about the low level of qualifications possessed by its workforce. Furthermore, doubts are expressed about whether the work required to obtain educational qualifications is sufficiently closely geared to the requirements of the workplace. The development of competence-based qualifications in the form of NVQs and SVQs (see Chapter 6) reflects these concerns, and gives many people a chance to document the activities they can perform competently in their work role. Although NVQs and SVQs have been criticised on various grounds, individuals, particularly those with few educational qualifications, can benefit from obtaining them. They provide some evidence to prospective employers that the person can be expected to perform adequately if taken on.

But paper qualifications, even those based on behaviour at work, are only part of the story. Most job-search manuals emphasise the importance of personal contacts and social skills in getting work, since many jobs are never advertised to the general public. Some recent theoretical analyses of careers have

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made a similar point, referring to the significance of a person’s ‘reputation’¹. The common term for keeping oneself known by people who might help to develop you or help you get work is ‘networking’. Networking involves letting people know in culturally acceptable ways that you are competent, conscientious, seeking new knowledge/skills, and, perhaps, that you are available for work. It also means encouraging those people to feel that they would like to help you either now or when they get the chance. The people are not necessarily senior, nor are they necessarily in the organisation one might be working for at the time. In some cases, networking is most effective via formal or informal professional associations; for others, it is conferences; for others again, it may be via local friends and leisure groups. The key is to know who one wants to reach and for what purpose.

**Tactics in organisations**

As has been pointed out², some organisations are relying more on self-development on the part of employees because the pace of change makes it ever more difficult to provide well-structured career paths and development. The increased emphasis on self-development is a major culture change, implying as it does that everyone can develop and progress. The adjustment may be as great for individuals as for whole organisations. Individuals are well-advised to take the initiative in planning their training and development rather than waiting for it to be offered. The trend towards competence-based analyses of jobs and indeed whole organisations³ may help to provide a structure for reviewing one’s current position and future possibilities.

Individuals need to identify what kinds of work are available in their organisation now, and what is likely to be available in the future. Nobody will have a precise answer, but observation and questioning of others in the organisation, together with any stated business plan are likely to be helpful. Opportunities for

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² Hirsh W, Jackson C and Jackson C (1995), op. cit.

self-analysis and development, such as personal development planning, development centres and career workshops, can be useful even if the individual is sceptical about their employing organisation's motives for offering them and effectiveness in running them. Self-initiated actions like seeking a mentor, if a formal mentoring scheme is absent, are also likely to enhance one's development\(^1\).

We have seen in Chapter 3 how for many employees the 'psychological contract' has been broken in recent years. Herriot and Pemberton\(^2\) make a case for individuals and organisations negotiating what expectations each will have of the other in the joining-up process, and for periodic review of whether the bargain is being kept, with the possibility of renegotiation at a later date. Probably negotiation about substantial issues is only possible for people with fairly highly sought-after skills and/or experience, but the point is well made that recruitment should be a negotiation if any subsequent employment relationship is to be mutually satisfactory.

Effective negotiation by individuals requires good information of the kind discussed above about self and the world of work, including the organisation one aspires to work for, and how its members might view one's strengths and weaknesses. It also requires good negotiation skills\(^3\).

**Key points**

- The trend is clearly towards increased demand on people to be proactive in looking after their own careers using their own resourcefulness.

- This requires continuous information-gathering and analysis, self-assessment, planning ahead for the next few years, and social skills including negotiation and self-presentation.

- Individuals need to be aware of the changing nature of the employment relationship and adopt appropriate strategies for 'career defence' that enhance their employability.

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\(^1\) Jackson C (1993), 'Mentoring: choices for individuals and organizations,' *International Journal of Career Management*, 5, 10-16.

\(^2\) Herriot and Pemberton (1995), *op. cit.*

• Individuals should be encouraged to support each other via networks and self-help groups.

• Individuals need to consider all their activities in terms of the work-related skills and experiences they are developing, and be on the look out for skill development opportunities in their day-to-day work.

• Individuals need to be alert to opportunities to obtain further education and training.

• Individuals need access to more localised information about employment trends and work opportunities within particular locations and market segments.
6. Implications for Education and Training

Introduction

Everyone has an interest in the effectiveness of schools, colleges and places of training. Consequently we all have a view concerning what they should do. Learning systems are, therefore, noisy and besieged systems expected to respond to a wide range of (at times contradictory) pressures. They are expected to introduce young people to the cultures and technologies of our society and to develop in students the learning required to function and thrive in it. In particular, we want places of learning to help students develop the attitudes and behaviours required for their likely futures in the workplace\(^1\), although we should recognise that this is only one purpose of education. Learning systems are also expected to sort out those destined for ‘careers’ (in the traditional sense) from those destined for jobs — largely on the basis of examinations and other assessments\(^2\).

During the industrial era formal education has largely preceded employment. As the demands of the workplace have grown, it has done so for longer periods of time: the minimum school-leaving age has been progressively raised, further and higher education have expanded, and the age of entry to the workplace has been increasing. But the dominant model of education has continued to be essentially one of ‘front-loading’. The relatively stable nature of work organisations has meant that any subsequent work-related learning has been largely provided

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within such organisations, without any need for formal accreditation.

Now, however, the new models of work are calling these models of learning into question. If individuals move much more regularly between different jobs and different organisations, learning needs to be lifelong. Moreover, it needs to be supported and accredited in ways which promote portability — making experience gained in one work setting useful in another. This could mean a more significant role for formal educational institutions. Such institutions need, however, to operate more flexibly, if they are to be capable of assuming this new role. Expectations of schools need to be re-cast; their key task now becomes less concerned with 'sorting' and more with providing the foundations for lifelong learning.

Towards lifelong learning

The need for lifelong learning is now widely recognised. The pace of technological change means that the 'shelf-life' of work skills and knowledge is getting ever shorter. More frequent movement between jobs — as well as between employment and other work settings — requires regular learning of new competences. More and more work requires 'multi-skilling': a wider and more flexible range of skills.

At national level, it has been influentially argued that if Britain is to compete successfully in world markets, and to survive and flourish as a high-wage economy, it needs to become much more of a high-skill economy than it is at present. To achieve this, a 'skills revolution' is needed, the key to which is to motivate and empower all individuals to develop their knowledge and skills throughout their working lives. A set of National Targets for Education and Training has been adopted by a variety of bodies, with Government support, to provide a framework for the action that is needed.

This analysis is not universally accepted. Some argue that lifelong learning is important only for the new work elite — notably those termed by Robert Reich the 'symbolic analysts'. Such commentators predict a growing gulf between this group and a low-skilled underclass fluctuating between insecure repetitive work and unemployment. The implications of this scenario for social-security systems and for social harmony are daunting. We need a universal model for lifelong learning made relevant to work in all its settings. This will make it possible for everyone to contribute to and share in both economic prosperity and social improvement.

Lifelong learning does not necessarily mean lifelong education. It embraces training, as well as more informal learning in the workplace and outside it. The education system has, however, a potentially important role to play, providing formal opportunities for learning which are detached from the narrow immediate concerns of the workplace. Arguably, such forms of learning are likely to become more important as the pace of technological change accelerates and the rate of job mobility grows.

If the education system is to play a central role in lifelong learning, it needs to be more flexible than in the past. Adult education needs to be viewed as a core provision for all, not as an 'optional extra' for some — a peripheral adjunct to the education of children and young people. Course structures need to be adapted to make it easier for individuals to move in and out of the educational system, and to design their own learning pathways, drawing from provision in different institutions where appropriate. In short, educational institutions need to be remodelled so that they can offer resources for individuals to use as and when they have particular needs which such institutions are able to meet.

Technology is likely to be a powerful change-agent in this respect. The traditional emphasis on class attendance as a requirement of educational provision is outdated. Learning packages devised by teachers can now be used in the home, in the workplace, in community centres, and elsewhere. The value added by more direct forms of learner support needs to be more personal and more interactive: in one-to-one or small-group situations. Such support for learning-to-learn activities will be

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particularly important for individuals who have not engaged in formal education for some time (a group which should rapidly diminish in size).

Transmitting information is less important than deepening understanding. The emerging roles of the teacher within the more flexible structures of lifelong learning are accordingly fourfold. The first is as a learning designer — with 'products' ranging from books and videos to programme-learning packages, multi-media learning kits, and various forms of experiential and experience-based learning. The second is as a learning co-ordinator, linking human and material resources to objectives and methods so that they meet the needs and readiness of the learners. The third is as a learning consultant, helping the learners to overcome learning blockages and to engage at a deeper level with the meaning and purpose of what they are learning. The fourth is as a learning assessor, evaluating and accrediting the individual’s learning, regardless of where and how it has been obtained.

A national qualifications framework

The role of accreditation within the new models of learning required by the new models of work is critical. If individuals are to move more regularly between different work organisations, their learning must be accredited in a way which makes it portable.

This means accreditation not only of formal learning, but also of informal learning, including learning in the workplace. Individuals who are responsible for their own career development need to be assured that at the end of any work contract, they will be more, not less, able to find work. Accordingly, they are increasingly going to demand that the learning they have acquired in the course of the contract is accredited, so its value is recognised by other possible employers, clients and customers.

The main framework currently being developed for such accreditation is the structure of National and Scottish Vocational Qualifications (NVQs and SVQs). It is competence-based; the process by which the individual reaches this competence is not defined. The framework is designed to be comprehensive, covering all work-related learning, and to
facilitate movement between as well as within particular occupations.

The system of NVQs and SVQs is in many respects an important move in the right direction. Its competence-based approach is, however, widely criticised for not paying sufficient attention to underpinning knowledge and theory. Yet it is important that learners not only know how to do things, but understand why they do them and how they achieve their effects. Such deeper levels of understanding are essential to the responsible and transferable use of personal competence. This is particularly important at higher occupational levels, where the development of NVQs and SVQs is still at an early stage.

Meanwhile, the post-compulsory education system is increasingly developing credit accumulation and transfer systems (CATS) which are designed to enable students to move more easily between different courses and institutions. The pace of such development is still uneven, with different credit ‘tariff’ systems being used by different institutions, and with some institutions more concerned with intra- than inter-institutional mobility.

In principle, the roles of NVQs and SVQs, and of CATS, are complementary. The criticisms of NVQs and SVQs for neglecting knowledge and theory are the converse of criticisms of educational courses accredited in CATS schemes for neglecting skills (in particular, transferable core skills). Effective learning experiences are likely to need to encompass attention to knowledge, theory and skills, though in varying balance: all need to be accredited. The new model of career requires an integrated qualifications framework in which the respective strengths of NVQs, SVQs and CATS systems are sustained, their limitations ameliorated, and their connections strengthened.

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The changing role of schools

The concept of lifelong learning transforms the role of schools. Hitherto their programmes have been dominated by the public examinations taken at the ages of 16 and 18, linked to the dominance of their 'sorting' function. This has tended to produce a narrowly instrumental approach to learning, focused on the 'exchange value' of examination certificates rather than the 'use value' of the learning itself\(^1\).

Within a lifelong learning system, by contrast, the key role of the school is to foster young people's motivation, and to develop their skills for learning how to learn. This requires very different curriculum models, with weaker emphasis on the boundaries between traditional school subjects, more emphasis on the interaction between understanding and action, and more use of community resources. More attention should be paid to the individual's experience of learning, as expressed in such models as the four-stage learning cycle\(^2\) — concrete experience, reflective observation, abstract conceptualisation, and active experimentation.

One of the implications of this is that relationships between learning and work need to be established more strongly at an earlier stage. Education has a long-standing tradition of protecting young people from child labour. The boundaries between education and the world of work have, as a consequence, been sharply marked and tightly patrolled. This has begun to change, and needs to change further. Experience-based learning in workplaces and other forms of education-business partnership enrich the learning process, and help young people to engage in the interactions between learning and work which are the essence of lifelong learning.

The RSA\(^3\) has suggested that lifelong learning should be viewed as comprising three overlapping stages: foundation (up to age 16), instilling the habit of learning; formation (ages 14 to 21),

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developing workplace readiness; and continuation (age 18+), based on independent learning. It proposes that the foundation stage should be funded largely by the state in the traditional way; the formation stage by the state through learning credits or vouchers; and the continuation stage largely by the individual or employer. The last is unlikely to be sufficient in a flexible labour market. In our view there is a role for the state in all three stages. For the third stage, the concept of individual learning accounts — with contributions in varying balances from the individual, the employer and the state — seems a promising way forward.

Key points

- If individuals move more regularly and rapidly between different jobs, different organisations and different work settings, learning needs to be lifelong. It also needs to be supported and accredited in ways which promote portability.
- If educational institutions are to play a central role in lifelong learning, they need to operate in flexible ways. Information technology is likely to be an important agent of change in this respect.
- An integrated national qualifications framework is needed, beginning in secondary education, which covers education and training, knowledge and skills, and provides for lifelong individual progression.
- A key role of compulsory schooling is to lay the foundations for lifelong learning.

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7. Implications for Career Guidance

Introduction

If individuals are to secure progression in their learning and work, career guidance is crucial. A massive increase is needed both in the quantity and quality of such guidance.

Within the industrial era, the role of career guidance has been very limited. The destiny of individuals within both the education system and the employment system has been determined largely by selection processes. Career guidance has been a limited switch mechanism to fine-tune the passage from one system to the other. That is why career guidance services have been so heavily concentrated around the transition from full-time education to employment. In practice, the two systems have usually been so well synchronised that it has not had too much to do. It has been a limited, marginal and low-status activity.

Now, however, its role is moving centre-stage. If individuals are to take responsibility for their career development, career guidance is critical, in three respects:

- in helping individuals to clarify and articulate their aims and aspirations
- in ensuring that their decisions are informed in relation to the needs of the labour market
- in empowering individuals in their negotiations with employers and other purchasers of their services.

Concentrating guidance resources at the entry-point to employment is no longer adequate. Careers are now based not on single decision points, but on a long series of iterative
decisions made throughout people's lives. Guidance needs to be available at all these decision points.

This means that a national strategy is required for lifelong access to guidance in support of lifelong career development, for all. No single agency can deliver what is needed. A three-pronged strategy is required so that:

1. guidance is an integral part of all educational provision
2. guidance is an integral part of all employment provision
3. continuous access is provided to independent guidance from a neutral base.

All three need to be supported by strong and clear quality standards.

**Career guidance within education**

The concept of career guidance as an integral part of education has two facets. The first is the role of compulsory schooling in laying the foundations for lifelong career development. This attaches particular importance to careers education within the curriculum, designed to develop competence in career self-management: the skills, knowledge and attitudes which will enable young people to make and implement career decisions immediately and in the future. This has traditionally been a marginal part of a curriculum dominated by academic subjects. It now needs to be viewed as the core of a new curriculum for preparing students for lifelong learning.

The second facet is that, within but also beyond compulsory schooling, all educational provision should provide regular opportunities for students to relate what they are learning to their future career development. This has implications for the curriculum itself. It also requires tutorial support, and specialist guidance services within the institution. The importance

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attached to these services is likely to grow as course structures become more flexible, with the development of modular courses and systems of credit accumulation and transfer. The prominence given to guidance within the funding, audit and inspection procedures adopted by the Further Education Funding Council is welcome in this respect; the parallel procedures of the Higher Education Funding Councils need to be reviewed in the same light.

It is important that guidance services set up to help students with learning choices should not become detached from those concerned with work choices: the essence of effective guidance is the relationship between learning and work. This does not imply that learning should always be narrowly vocational in inspiration: 'work' can be unpaid, which embraces what is often referred to as 'learning for its own sake'. For many people, however, links between learning and earning are vital. Guidance services need to be linked within educational institutions to stronger and more creative forms of partnership with employers, particularly small and medium-sized employers which are providing an increasing proportion of employment opportunities (see Chapter 2).

A particularly significant development within education is the growing practice of encouraging students to engage in regular recording of achievement and action planning. Students in an increasing number of institutions are being asked, every few months, to review their learning experiences, inside and outside the formal curriculum, and to define the skills and competences acquired; they are also being asked to review their long-term goals, their short-term learning objectives, and ways of achieving these objectives. This is of value in its own right; it also helps to develop and support the skills of reviewing and of planning which are crucial to career self-management.

**Career guidance within employment**

Within employment, too, individuals are increasingly being given opportunities to review their progress and their future plans — either within appraisal systems, or through parallel systems of development reviews. In addition, a growing number of organisations are introducing other systems to support career self-management: career planning workshops, assessment centres, career resource centres, mentoring systems,
and the like. These have been discussed in Chapter 4. They need to be regarded as an integral part of a national guidance strategy.

**Independent career guidance**

The potential advantages of embedding career guidance within education and employment are two-fold. First, such organisations have more continuous contacts with individuals based within them, and so are able to deliver more substantial and sustained support than any external service can do. Second, they are in a stronger position to influence the opportunities they offer in response to individuals' needs and demands, as revealed through the guidance process. In adult education, for example, it is now widely recognised that an important role of guidance is providing feedback on learners' needs which are not being met by existing provision\(^1\). This can be applied in other areas too. Guidance can thus not only help individuals to choose between the opportunities already available, but also encourage providers to develop new opportunities to meet individuals' preferences and requirements.

But guidance within education and within employment also share common limitations. First, they do not cover everyone: many people spend significant parts of their lives outside education and employment structures — because they are unemployed, for example, or engaged in child-rearing. Second, guidance services within organisations do not always have a sufficiently broad view of opportunities outside that organisation. Third, the organisation can have a vested interest in the outcomes of the individual's decision, which can make it difficult to provide guidance that is genuinely impartial. Schools with sixth-forms, for instance, are rewarded financially if their students stay on beyond the age of 16: some are tempted to bias their guidance in favour of their own offerings at the expense of the opportunities available elsewhere. Employers, too, may be reluctant to encourage valued employees to explore opportunities in other organisations, and employees themselves may be fearful that, if they are seen to be seeking guidance, their commitment to their employer may be judged to have weakened.

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\(^1\) Oakeshott M (1990), Educational Guidance and Curriculum Change. London: Further Education Unit/Unit for the Development of Adult Continuing Education.
For these reasons, individuals need access to a broader and more impartial perspective which a neutral career guidance service can bring. Some will be able to gain sufficient help and support from friends and relatives. Many, however, will need access to a professional service, with professional counselling skills and access to high-quality information.

For young people (plus some adults involved in further education), free access to such a service — the Careers Service — is assured by statute. The Careers Service has traditionally been a low-status operation, run by Local Education Authorities. Under legislation passed in 1994, contracts to run the service in specified localities have been offered on competitive tender. It is too early to determine whether this will produce a higher-quality and more innovative service, or result in lowering of professional standards and fragmentation of professional collaboration.

For most adults, however, there is no such provision. Instead there is a patchwork of public guidance services, mostly without any continuity of funding, plus an Employment Service in which guidance is confusingly linked to punitive tests of benefit entitlement for the unemployed. There is also a private sector limited to certain market niches (particularly outplacement counselling funded by employers).

The most urgent policy need is a national strategy for guidance for adults. One approach which appears to be attracting growing support is based on a two-stage model. The foundation provision would be available free of charge to all. It would comprise open-access information centres in every sizeable town and city, supported by brief 'diagnostic guidance' interventions designed to identify guidance needs for which further provision might be needed. This enhanced provision — counselling interviews, psychological testing, etc. — would be available from a range of accredited providers within both the public and private sectors, and would be costed: those able to pay would be expected to do so, perhaps from their individual learning accounts (see Chapter 6); public funding would be

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targeted at groups where the ability to pay was low and/or the public interest in take-up was high (notably the unemployed, women returners, and the low-waged).

**Towards a strategy**

To bring together these various strands of guidance provision within a coherent strategic framework, strong co-ordinating structures are needed. At national level, the new National Advisory Council for Careers and Educational Guidance is a promising development, bringing together as it does the major employer organisations, education and training organisations, consumer organisations, and guidance professional organisations, with observers from the relevant government departments. Strategic frameworks for lifelong access to guidance are also needed at regional and local levels. Training and Enterprise Councils and equivalent agencies potentially have a central role to play in developing such strategies.

The changing concept of career has considerable implications not only for the structure of guidance delivery, but also for its processes. Many of the existing theories used in guidance practice are based on outdated industrial-era models of career: the new models have implications for research and training, and require much closer and more collaborative relationships between theorists and practitioners\(^1\). Urgent consideration also needs to be given, for example, to the opportunities for global access to information and contacts offered by the Internet, and its relationship to face-to-face guidance services. Further, it seems likely that there will be a growing need for stronger links between career guidance and financial guidance.

**Key points**

- If individuals are to take responsibility for their own career development, career guidance is critical. It needs to be available throughout life.
- A national strategy is required for lifelong access to guidance in support of lifelong career development, for all.

• This should include guidance as an integral part of all good education and all good employment.

• In addition, individuals need access to the broader and more impartial perspective which a neutral career guidance service can bring. Such a service is currently only universally available to young people.

• A policy is needed for access to impartial and neutral career guidance for adults. This should include a mix of public and private provision.
Appendix
The ESRC Careers 2000 Seminar Series

This appendix provides background information on the seminar series, outlines the process by which this report was written, identifies members of the seminar group, and lists the papers and presentations that were made at the seminars.

Each seminar lasted a full day, and normally consisted of short papers and/or presentations made by members of the group and invited guests, with discussion. Some of the papers were presented and responded to by someone other than their author.

Early in its existence, the group decided to produce a report for policy-makers and individuals. It is important to emphasise that this report results from the efforts of all members of the group, not only those listed as authors.

It was agreed that the task of writing the report would be delegated to a small team, but that all group members should be able to contribute ideas for any part of the report. Volunteers agreed to co-ordinate contributions from group members for each section of the report and group members sent notes to the appropriate co-ordinator. These notes were reviewed by the whole group. The authors made use of the material contributed by members where appropriate, but were not confined to it. Successive drafts of the report were considered at the seminars and many of the suggestions made were incorporated in the report.

Below are listed the following:

1. the convenor of the seminar series and report authors
2. the co-ordinators of material for each section of this report, and those who contributed material
3. the members of the group
4. the papers and presentations made to the group, with authors and presenters named.

This illustrates how many people have contributed to this report directly or indirectly. A collection of papers presented to the group is available from Dr John Arnold.

Seminar Convenor

Dr John Arnold, Loughborough University Business School

Report Authors

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Dr John Arnold, Loughborough University Business School

Professor Nigel Nicholson, London Business School

Tony Watts, OBE, Director, National Institute for Careers Education and Counselling, Cambridge

Co-ordinators and Contributors of Material for this Report

The Changing Nature of Careers
Carole Pemberton (Co-ordinator), Peter Herriot, Anne Segall, Audrey Collin, Jenny Kidd

Labour Market Trends — What Has Been Happening to Change Careers?
Julie Storey (Co-ordinator), John Arnold, Wendy Hirsh

What Will Careers Become?
Audrey Collin (Co-ordinator), Malcolm Ballantine, Peter Herriot, Wendy Hirsh

How Should Employers Be Managing the New Kinds of Careers?
Anne Segall (Co-ordinator), David Cannon, Wendy Hirsh,
Valmai Bowden, Rob Stickland, Peter Herriot, Carole Pemberton, Audrey Collin, Noeleen Doherty, Andrew Hill

Individuals — What Should They be Told About Careers?
Jenny Kidd (Co-ordinator), Peter Herriot, Rob Stickland, Anne Segal

Education/Training Providers — Implications of Changes in Careers
Malcolm Ballantine (Co-ordinator), John Arnold, Audrey Collin

Careers Guidance Providers — Implications of Changes in Careers
Tony Watts (Co-ordinator), Audrey Collin, Peter Hawkins, Jenny Kidd, David Sonnenberg

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Dr Barbara White, Department of Psychology, University of Liverpool

Papers and Presentations to the Group

Developments in the British Labour Market — Vision and Reality. Ewart Keep, Industrial Relations Research Unit, University of Warwick

Themes in Career Development in Organisations — Insights from Recent IMS Workshops. Wendy Hirsh and Charles Jackson

How Can Organisations and Individuals Best Go About Redefining the Psychological Contract? Peter Herriot (Presented and discussed by David McGill)

A Career Learning Theory? Bill Law (Presented and discussed by Audrey Collin)
Acorns and Oak Trees — A Strategy for Self-Development in Organisations. Rob Stickland

The Changing Context of Careers. Anne Jones

Career Counselling — A Suitable Case for Research? Ben Ball (Presented and discussed by Malcolm Ballantine)

Career Development Interventions. Anne Segall (Presented and discussed by Rob Stickland)

A Career Theory-Based Approach to Corporate Management Development. Professor John Burgoyne, Department of Management Learning, University of Lancaster

The Importance of the Neurological Basis of Learning to Learning Interventions. Seminar led by David Bradshaw, Sheffield

The Psychological Meaning of Work. David Sonnenberg (Presented and discussed by David Cannon)

The Value of Work. Jonathan Suzman

Future Research on Careers. Adrian Alsop, Economic and Social Research Council


Stepping Outside the Job Box. Robin Linnecar, KPMG

Lifelong Learning for Lifelong Working. Bert Clough, TUC