BRIDGING THE GAP

MAKING YOUNG PEOPLE A VITAL PART OF EVERY WORKFORCE

A report for the Health Foundation's
'Young People's Future Health Inquiry'

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January 2023

Institute for Employment Studies

The Institute for Employment Studies is an independent, apolitical, international centre of research and consultancy in public employment policy and organisational human resource management. It works closely with employers in the manufacturing, service and public sectors, government departments, agencies, and professional and employee bodies. For 50 years the Institute has been a focus of knowledge and practical experience in employment and training policy, the operation of labour markets, and human resource planning and development. IES is a not-for-profit organisation which has around 50 multidisciplinary staff and international associates. IES expertise is available to all organisations through research, consultancy, publications and the Internet. Our values infuse our work. We strive for excellence, to be collaborative, and to bring curiosity to what we do. We work with integrity and treat people respectfully and with compassion.

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The Health Foundation is an independent charity committed to bringing about better health and health care for people in the UK. Their aim is a healthier population, supported by high quality health care that can be equitably accessed. From giving grants to those working at the front line to carrying out research and policy analysis, they shine a light on how to make successful change happen. The Health Foundation use what they know works on the ground to inform effective policymaking and vice versa. They believe good health and health care are key to a flourishing society. Through sharing what they learn, collaborating with others and building people's skills and knowledge, they aim to make a difference and contribute to a healthier population.

The Young people's future health inquiry

This report is part of the Young people's future health inquiry which is funded by the Health Foundation. The inquiry is a first-of-its-kind research and engagement project that set out to consider how the experiences of young people today are likely to shape their future health outcomes. This report forms part of a wider programme of policy research in the action phase of the inquiry. The research is led by IES across the four UK nations and is focused on understanding how to improve access to good youth employment and amplifying the voices of young people in research and policy-influencing.

Inclusive language

The terminology used to define ethnicity continues to evolve, and there is greater awareness about gender, cognitive difference and disability. IES seeks to be a learning organisation; as such we adapt our practice in line with these shifts. We aim to be specific when referring to an individual using their own self-descriptor wherever possible. Where this is not feasible, we are aligned with Race Disparity Unit (RDU) which uses the term 'ethnic minorities' to refer to all ethnic groups except white British. RDU does not use the terms BAME (black, Asian, and minority ethnic) or BME (black and minority ethnic) as these emphasise certain ethnic groups and exclude others. It also recommends not capitalising ethnic groups, (such as 'black' or 'white'). We understand that while individuals may have impairments it is society that disables them, so we refer to disabled people. Not all people identify with male or female; we use the term non-binary should abbreviation be necessary. We value neurodiversity.

Acknowledgements

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IES Employer Research: Foreword

Julia Unwin CBE, Strategic Adviser, Young people's future health inquiry

When the Health Foundation's Young people's future health inquiry launched in 2017, we could not have predicted the drastic events of the Covid-19 pandemic and the lasting impact on society. Yet the Inquiry was grounded in evidence which showed that the needs of young people aged 12-24, even then, were going unmet and increasing intergenerational inequalities were emerging. For this reason the transition to adulthood was already creating problems for many young people. The external environment has become even more challenging, and the Inquiry still aims to throw sharp focus on these same issues to demonstrate where stronger policy solutions are required.

We now know that young people are among those most negatively affected by the pandemic through poorer educational experiences and deepened challenges to finding and securing work. This emerged at the height of the pandemic, when lock downs were implemented and many people stayed at home, but continues as we move into the endemic phase. On top of this, we are facing a new cost of living crisis due in part to new instability in Europe. Many young people are feeling discouraged and uncertain about their future and many experience anxiety and a lack of wellbeing. It is essential now, more than ever, to focus on supporting better transitions into adulthood and, through the labour market, ensuring we support young people into good quality work that will have a lasting positive impact on their outcomes. If we don't, we risk our youngest generations carrying the burden of lifetime economic and social scarring. That will cost us all dear in the future.

During the pandemic, the government was quick to respond to the scale of need, putting in place a wide range of employment support, including targeted support to young people, such as youth hubs and Kickstart. However, while an unemployment, and particularly youth unemployment, crisis was averted, we are faced with a transformed labour market resulting from the combined effects of the withdrawal from the European Union, the pandemic and the global mega-trends of an ageing population, automation and climate change. Employers are struggling to fill their vacancies as older workers are leaving the workforce with uncertainty over whether they will return, and there are increasing numbers of economically inactive people due to ill health. Young people are a key part of the solution, but action is needed now to ensure that they have the opportunity for long, healthy working lives. This creates a vital responsibility to support young people into good quality work, and this imperative must be met by policymakers, employers, education and the wider community. The regional levelling up agenda has the opportunity to overcome those place-based variations in economies and education that so seriously affect quality of life and future health. It requires better regulation to ensure young people are treated well and fairly when they enter work, alongside recognition of the challenges employers are facing as they struggle to access the labour they need to be fully productive.

This report by the Institute of Employment Studies (IES) comes at a critical time, providing important insight into employers' views and experiences of employing young people and providing good quality work, the challenges they encounter, the opportunities they seize, and their requirements for support. It is the companion piece to the youth-centred research IES led last year, which explored young people's experiences of good quality work. It is only by understanding the experiences of both young people and employers, through both voices being present in the Inquiry, that we can start bridging the gap to good quality youth employment.

Along with the other research being undertaken by others across this programme, we are getting a clearer picture of the actions which need to be taken by Governments and others to ensure change. More young people need to enter adulthood with secure foundations for future health. As we face challenges ahead, delivering a better deal for young people should be a key priority. This report and the Inquiry provide a pathway to how policymakers and employers can achieve this together.

Julia Unwin

Executive summary
Key Findings

Although large numbers of young people are currently looking for work, employers in the research are not always hiring from these age groups. In the survey, around a fifth of employers did not hire from the 22-25 age group (21 per cent), two in five did not hire anyone aged 18-21 (40 per cent), and two thirds did not hire from the 16-17 age group (68 per cent) over the past year. These findings are comparable to findings from previous large-scale representative studies (Employer Skills Survey, Employer Perspectives Survey). While it is to be expected that employers hire fewer young people aged 16-17, as most are in full-time education and are economically inactive as a result, young people aged 18-25 are much less likely to be inactive (30 per cent) and much more likely to be looking for work.

21% OF EMPLOYERS DID NOT HIRE FROM THE **21-25** AGE GROUP

TWO IN FIVE DID NOT HIRE FROM THE **18-21** AGE GROUP

68% DID NOT HIRE FROM THE **16-17** AGE GROUP

YOUNG PEOPLE AGED **18-25** ARE **JOB** **30%** MORE LIKELY TO BE LOOKING FOR WORK

Employers are most likely to hire young people to build a talent pipeline but being able to pay young people lower wages is still a key consideration for many. Employers in the survey recognised the need to recruit younger workers to build the talent pipeline (50 per cent) and widen their candidate pool (31 per cent), and this was echoed in interviews with employers. However, a large minority of survey respondents reported they hire younger workers because it is more affordable (26 per cent). Interviews with employers also showed that they often hired young employees into low-skilled and low-paid jobs.

50% OF EMPLOYERS ARE MOST LIKELY TO HIRE YOUNG PEOPLE TO BUILD A TALENT PIPELINE

AND **31%** TO WIDEN THEIR CANDIDATE POOL

£ **26%** OF SURVEY RESPONDENTS HIRE YOUNGER WORKERS BECAUSE IT IS MORE AFFORDABLE
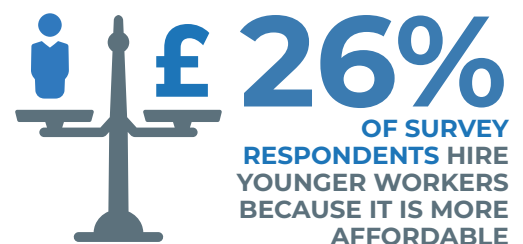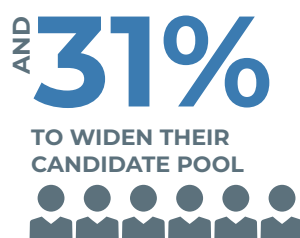
Employers have limited experience hiring young people who experience disadvantage. A quarter of employers have no experience of hiring younger workers who face one or more forms of disadvantage, such as physical or mental health conditions, low qualifications, lack of work experience, a history of unemployment, or caring responsibilities (25 per cent on average). A fourth don't know if they employ young people with mental health conditions or caring responsibilities. In the interviews, there was also mention of young people's socio-economic background being a steering factor for the roles in which younger workers are more likely to be in, although some employers are starting to pay attention to social mobility and are looking for ways to support this.

25% OF EMPLOYERS HAVE LIMITED EXPERIENCE HIRING DISADVANTAGED YOUNG PEOPLE.

25% MENTAL HEALTH CARING RESPONSIBILITIES
A FOURTH DON'T KNOW IF THEY EMPLOY YOUNG PEOPLE WITH MENTAL HEALTH CONDITIONS OR CARING RESPONSIBILITIES.

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There is a discrepancy between employers' and young people's perceptions of good work. Employers in the survey identified the key facets of good work for young people as an enjoyable workplace environment (43 per cent); a job that feels interesting and fulfilling (42 per cent) and a job that offers opportunities to progress (41 per cent). Pay above industry standards and security and stability were identified as crucial facets by a minority of these employers. This contrasts with young people's views. While both employers and young people agree on interesting and fulfilling work as a key factor, employers rated pay above industry standards and security and stability far lower than young people did.

43%
OF EMPLOYERS IDENTIFIED AN **ENJOYABLE WORKPLACE** ENVIRONMENT

42%
OF EMPLOYERS IDENTIFIED A JOB THAT WAS **INTERESTING AND FULFILLING**

41%
OF EMPLOYERS IDENTIFIED A JOB THAT OFFERS **OPPORTUNITIES TO PROGRESS**

AS A KEY FACET OF GOOD WORK FOR YOUNG PEOPLE

THIS CONTRASTS WITH YOUNG PEOPLE'S VIEWS OF WANTING:

PAY ABOVE INDUSTRY STANDARDS

SECURITY AND STABILITY AS CRUCIAL FACETS

Employers feel skills, experience and confidence hinder young people's access to good work, but also recognise there is unequal access to work. According to employers in the survey, a lack of skills (42 per cent) experience (36 per cent) and confidence (34 per cent) are the major obstacles that young people face to accessing good quality employment. Again, this differs from young people's views which highlight having connections and access to networks, and mental health as key elements that enable access to good work. Employers in interviews recognised that there is unequal access to work for young people and highlighted that it's becoming harder for young people to access good work, given employers' requirements for experience, skills, and qualifications, a preference for candidates from Russell Group universities, and recruitment practices such as using recruitment agencies and AI.

EMPLOYERS IN THE SURVEY FEEL YOUNG PEOPLE ARE HINDERED BY:

42%
LACK OF SKILLS

36%
LACK OF EXPERIENCE

34%
LACK OF CONFIDENCE

THIS DIFFERS WITH YOUNG PEOPLE'S VIEWS OF WANTING:

ACCESS TO CONNECTIONS

ACCESS TO NETWORKS

ACCESS TO MENTAL HEALTH SUPPORT

Employers are aware of what makes good work and are confident that they offer it to young people, but their perception of this varies from young people's. Employers in the survey rated themselves highly across most dimensions of good work (enjoyable work environment, security and stability, an interesting job, support, learning and development, opportunities to progress). Many in the interviews showed a high level of awareness of what is important for good work and shared a range of good practice that they implement in their organisations, from good job design and management, to opportunities for learning, and enjoyable workplace environments. However, their concepts differ notably from the

perception of young people, who feel that most opportunities available to them are of low quality and report that their health and wellbeing are negatively impacted in the workplace. It should be noted that in both the survey and interviews employers recognised that pay is an element of good work which they cannot always provide, this is quite key to overall experiences of work and is recognised by young people as being key. This may in part help explain young people's differing views around the quality of the work available to them.

Employers look for the 'right fit' when recruiting young people and place emphasis on their digital skills but struggle with young people's expectations of work given their relative lack of experience. When looking to recruit young people, employers in interviews often expressed they place prime importance on 'cultural fit'. This was commonly described as young people having the right attitude. This was followed by digital skills, as young people are often perceived as 'tech-savvy' and 'digital natives', labels which risk stereo-typing young people and being reductive of their talent, while also discriminating against older workers. Young people's digital skills were also discussed often as a trade-off for a lack of qualifications or experience by employers in interviews – the latter of which was identified as the top challenge in recruitment by the employers in the survey (31 per cent) alongside a mismatch between employers' and young people's expectations of work (27 per cent).

EMPLOYERS TOP CHALLENGES IN RECRUITMENT:

MISMATCH BETWEEN EMPLOYERS' AND YOUNG PEOPLE'S EXPECTATIONS OF WORK :

31% Vs. 27%

A LACK OF QUALIFICATIONS OR EXPERIENCE   **YOUNG PEOPLE'S EXPECTATIONS OF WORK**

Unsuitable applications, a perceived lack of interview skills and smaller pools of skilled candidates are common challenges in the recruitment of young people. Applications that do not meet job descriptions and poor interview skills and etiquette were key challenges raised by employers in interviews, with some employers feeling that young people are poorly prepared for successful job searching. Other challenges related to broader trends, including the pandemic and Brexit, which employers associated with shrinking pools of skilled and experienced candidates. Improving initial training and onboarding, providing more work experience schemes for young people in education, and improving planned progression strategies were the main approaches taken by employers to address their recruitment challenges. However, these approaches were more common among employers in medium and large organisations; whereas a notable minority of those in small organisations (33 per cent) were not taking any actions to address recruitment challenges.

33% OF SMALL ORGANISATIONS WERE NOT TAKING ANY ACTIONS TO ADDRESS RECRUITMENT CHALLENGES

Employers have a positive experience of managing young people but find meeting their support needs challenging. Employers in the interviews described the young people they managed as keen to work hard and to develop, but also as lacking in professional judgement, and needing more intensive support, particularly around health and wellbeing. Employers recognised good management is key to positive experiences of work and to good quality work, and identified regular meetings and communication, and finding opportunities for young people to take responsibility and receive recognition, as the most effective management practices to support young employees' wellbeing and development.

Employers view young people as prone to 'job hopping' but recognise the role good work plays in retention. Employers in interviews who reported struggling with retention either felt it was to be expected in their industry (eg retail and hospitality), due to the nature of the sector, or that it resulted from a culture of 'job hopping' among young people. While employers tended to focus on propensity to 'job hop' among young people due to wanting to explore different jobs and grow their experience, many suggested that progression and development, financial incentives, good management, and flexibility were key factors that influence retention. This suggests that employers recognise that young people's propensity to change jobs is directly influenced by their working conditions and employers' ability to offer good work.

Employers engage with universities and colleges more often than with schools and employment services but feel that careers services do a poor job of preparing young people for work. Employers in the survey reported they are most likely to engage with universities (37 per cent) and colleges (34 per cent), but almost as many do not have any engagement (30 per cent). The most common type of engagement with education providers is around arranging, recruiting to and providing apprenticeships and traineeships (51 per cent), and paid internships and work experience (44 per cent). Challenges employers commonly encounter in engagement are time and resources. However, in interviews employers rarely mentioned these challenges, and instead focussed on shortcomings in careers guidance within educational settings when it came to preparing young people for the world of work.

EMPLOYERS WERE MOST LIKELY TO ENGAGE WITH YOUNG PEOPLE THROUGH:

37% UNIVERSITIES   **34%** COLLEGES   **51%** APPRENTICESHIPS AND TRAINING   **44%** PAID INTERNSHIPS AND WORK EXPERIENCE

Employers want more support to manage young people's health in the workplace and call for improvements to careers guidance and education, but do not know what else could support them to provide better quality work. Beyond further financial support and subsidies from government, changes to the current education, careers, information and guidance system were key areas for policy intervention among employers in the survey and in interviews. They wanted more support to offer better quality apprenticeship opportunities and to link to the talent pipeline in education. A key issue that emerged in interviews was how to support young people with health conditions and those struggling with mental health; many employers felt ill-equipped to provide the necessary adjustments for young workers and wanted further support. The overwhelming finding emerging from the employer research was that employers, particularly those in small organisations, lacked an understanding of the support that could be offered to them so that they could provide better quality opportunities to younger workers.

Employers' age appears to influence attitudes and behaviours around youth employment. The survey finds that employers aged under 45 are more likely compared to those who are over 45 to hire young people (63 per cent and 41 per cent respectively) and have more experience hiring young people facing disadvantage (63 per cent and 50 per cent). Younger employers are also less likely to view qualifications and skills for the job as a key barrier to young people's access to good work (31 per cent) compared to older employers (42 per cent). They are instead more likely to report that a key challenge in recruitment is attracting young people to jobs' terms and conditions (27 per cent) and tailoring the recruitment process to young people (21 per cent) compared to older employers (16 per cent and 10 per cent). These findings suggest that younger employers may have more favourable attitudes towards young people, although the reasons for this are unclear, such as whether there is an industry or skills shortage, personal experience or seniority dimension underlying this.

63%
OF EMPLOYERS AGED UNDER 45
Vs.
41%
OF EMPLOYERS AGED OVER 45
WERE MORE LIKELY TO HIRE YOUNG PEOPLE

63%
OF EMPLOYERS AGED UNDER 45
Vs.
50%
OF EMPLOYERS AGED OVER 45
HAVE MORE EXPERIENCE HIRING YOUNG PEOPLE FACING DISADVANTAGE

31%
OF EMPLOYERS AGED UNDER 45
Vs.
42%
OF EMPLOYERS AGED OVER 45
WERE LESS LIKELY TO VIEW QUALIFICATIONS AND EXPERIENCE AS A KEY BARRIER

27%
OF EMPLOYERS AGED UNDER 45
Vs.
16%
OF EMPLOYERS AGED OVER 45
REPORTED JOBS TERMS AND CONDITIONS WERE A KEY CHALLENGE WHEN RECRUITING YOUNG PEOPLE

21%
OF EMPLOYERS AGED UNDER 45
Vs.
10%
OF EMPLOYERS AGED OVER 45
REPORTED TALORING THE RECRUITMENT PROCESS WAS A KEY CHALLENGE WHEN ATTRACTING YOUNG PEOPLE TO ROLES

Employers in small organisations encounter more significant challenges around youth employment compared to those in larger organisations. Employers in the survey from small organisations were much less likely to hire young people compared to those in medium and large organisations, and particularly young people facing disadvantage. They were much less likely to rate themselves highly on pay, to be addressing their recruitment challenges, and to be engaging with education or employment services. Despite these challenges, many employers in small organisations did not think there is any type of support that could help them provide better work for young people or are not sure of what support could look like.

Recommendations
Making young people a vital part of every workforce

There is a need to support a shift in both mindset and practice among employers to widen opportunities for young people to enter work, by:

- *Incentivising employers to hire young people*. This can be done by central government through financial incentives, as evidenced in international practice (Orlando and Wilson, 2022). Examples include one-off payments or time-limited wage subsidies for employers who hire young people with protected characteristics or form disadvantaged groups, or one off-payments to support the costs of the initial onboarding and training of young people. It can also be done by business support organisations, by helping employers build a 'business case', looking at the economic and social benefits of hiring young people.

- *Building better pathways from education to work.* This requires a concerted effort by government, education providers, and employers. It includes the need for government to heed increasing calls to improve investment in the provision of high-quality careers guidance and support. Education providers should place greater emphasis on job preparation for students, such as through mentoring and employability classes, and to strengthen links with employers, particularly for small and local businesses. Employers need to engage with education providers according to their resources, but through a sustained and consistent effort which can build strong relationships over time and streamline the recruitment process.

- *Strengthening the role of intermediary organisations*. Central and local government should increase resourcing for intermediary organisations, ranging from local Jobcentres to third-sector organisations, which play a vital role in providing local employers with the support that can help improve their hiring practices and advance their equality, diversity and inclusion ambitions. These organisations work through local networks, have knowledge of and access to unemployed and marginalised young people, and can support employers to progressively develop the understanding, resources and opportunities to support disadvantaged young people into sustainable employment.

- *Leveraging the potential of local development.* There are a range of established mechanisms, such as Local Enterprise Partnerships and Local Skills and Improvement Plans, which bring together government, businesses, education, and representative bodies to advance the social and economic development of local areas. There is a need to improve partnership work across these bodies and for youth employment to become a key outcome across each local strategy, with clear indicators, targets, and accountability mechanisms.

Bridging the gap between employers and young people

There are discrepancies in culture, perceptions, and expectations that risk widening the gap between young people and employers, and which need to be addressed by:

- *Improving standards of pay for young people.* In order to meet their ambitions for good work and to attract and retain young people, employers need to increase their standards of pay for young people. This includes paying at least the Real Living Wage for an entry-level role, ensuring pay is fair by engaging with business support organisations and in benchmarking exercises, clearly stating pay on job adverts and offering the same pay for the same roles, and developing transparent salary progression strategies.

- *Strengthening young people's voice and involving them in decision-making.* Employers should ensure young employees can consistently access voice and representation platforms, and are mindful of the barriers they may encounter due to their age and power imbalances in the workplace. They should ensure young employees' feedback is regularly collected, that their views are accounted for when developing organisational practice, and are involved in decision-making processes where relevant.

- *Developing strategies for the employment of young people.* Employers can place a focus on developing practices that can support disadvantaged young people into the roles they offer. This can be achieved by engaging with business support organisations with a focus on young people, to develop best practice. It should also include involving young employees in developing youth-oriented recruitment practices and involving them in the recruitment process.

- *Supporting youth-friendly business cultures.* Employers should view, treat, and value young employees in the same way as their other employees, and ensure their recruitment and workplace practices are not biased against young people – particularly against those from disadvantaged groups. This can be done by developing a better understanding of bias, engaging with organisations, resources and tools that support youth-friendly practices, and being intentional around developing effective organisational strategies for a diverse and intergenerational workforce.

Supporting young people to thrive in the workplace

There are a range of good practices that employers use to help young people thrive in the workplace, but more support is needed, especially around mental health. This can be achieved by:

- *Learning from good practice.* There is an array of resources, toolkits, guidance and advice available to employers around good practice to support young people in the workplace, including around supporting young people's mental health and wellbeing. The findings in this report on employers' offering of good work, management, and recruitment solutions also outlines a range of evidence of what good practice employers are already doing, which can provide learning for others in similar organisations and sectors.

- *Improving mental health literacy.* A collaborative effort is required to develop universal guidelines on supporting employees' mental health in the workplace. This should also include ensuring that employers are aware of their legal responsibilities (through the Health and Safety at Work Act) around mental health, and are tangibly embedding appropriate workplace policies and practices. This can be achieved through a taskforce involving government, health, mental health, and disability advocacy organisations, employers, and employee representative bodies.

- *Supporting inclusive practices.* Employers can adopt practices which encourage their employees to safely disclose information on their health, wellbeing or any complex circumstances they may be facing. They should ensure that appropriate support is in place to help employees manage these, such as through adjustments and support plans. This should start at the recruitment stage and continue at later stages. There should be a specific focus on young employees, as they often face added challenges due to power hierarchies in the workplace.

- *Investing in health and wellbeing support.* Government should support employers to invest in providing better health and wellbeing support in the workplace. This can be done through subsidies for employers with limited resources to support mental health training, via access to occupational health or employee assistance services. This can also be supported by improving links between workplaces and health services, by equipping employers with information and resources to signpost employees to further support.
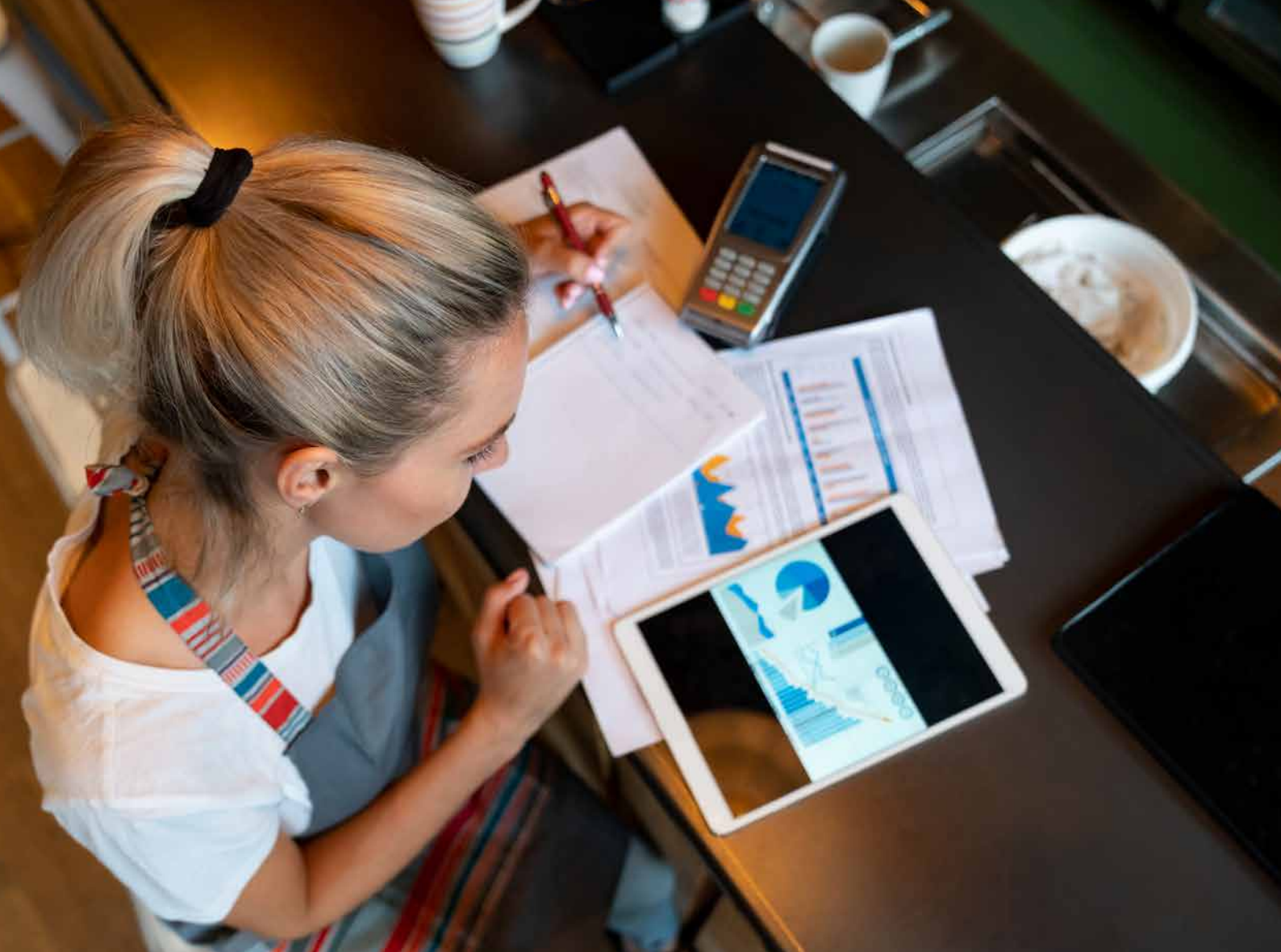
Scaling up support and awareness of support for small organisations

Small businesses can play a key role in providing young people with good work, and need to be supported to hire from younger age groups by:

- *Supporting small organisations to access existing support. T*here are a wealth of resources available for small organisations to support youth employment, through both government schemes and gateway organisations, yet employers need to be enabled to access this in a way that is easy for them. This can be achieved through bespoke engagement by business support organisations with employers, which is sensitive to the challenges these organisations encounter when engaging with support. These organisations should act as bridges between employers and gateway services and support employers to better structure their youth employment practices, in a way that benefits both them and young people.

- *Establishing local 'Employer Hubs'.* Government should establish local 'Employer Hubs', following a model similar to the Youth Hubs, and which could be integrated within existing Youth Hubs. These Hubs would provide a one-stop-shop for local employers to access information, guidance and support around youth employment in a single place. They should include dedicated employer engagement teams, with representatives from local Jobcentres and local youth employability services, and youth employment champions.

- *Reforming and increasing financial support for small organisations.* Government should reform some of the existing financial support for employers (eg heeding to existing calls to reform the Apprenticeship Levy to allow employers to use it more flexibly). It should also introduce new measures targeted to small organisations (eg through broadening and promoting access to shared apprenticeships schemes with larger employers). In addition to this, Government should create a dedicated fund to help small businesses support their employment costs, such as those that exist in other UK nations (eg the Individual Training Account in Scotland) and in other countries (Orlando and Wilson, 2022)**.**

01 INTRODUCTION

Introduction
Background: between recovery and crisis

When the Covid-19 pandemic hit in early 2020, the impact of the crisis on young people and on youth employment became a key focus of both research and policy development. Young people have been among the hardest hit groups in the crisis, losing out on education and work, with strong negative impacts on their mental health, aspirations and prospects (Hicks, Raidos, & McGarry, 2020; L&W, 2021; Wilson & Papoutsaki, 2021; Youth Employment UK, 2021). From government to the voluntary and community sector, to strategic groups such as the Youth Employment Group, efforts have concentrated on stemming and reversing these impacts (Plan for Jobs, 2020; YEG, 2020; YEG, 2021).

Since then, the labour market gradually recovered, and the youth unemployment has now reached record lows (ONS, 2022). However, the UK now faces a recruitment crisis, with high vacancy levels and labour shortages (ONS, 2022; CBI, 2022); while general long-term unemployment is progressively falling, youth unemployment and inactivity has started creeping up again, with over a third of all unemployed young people being long-term unemployed (ie unemployed for more than six months). On top of this, we are facing an unprecedented cost of living crisis, the impacts of which will be felt severely by young people and particularly the most disadvantaged (Centrepoint, 2022). This has created uncertainty for both employers and young people, and the toll of these successive crises is being heavily felt.

A large number of young people in the UK doubt their job prospects will ever recover from the pandemic, they report feeling that their life is spiralling out of control, and they are feeling scared about their generation's future (The Prince's Trust, 2022)[1]. Young people also report their mental health is affecting their ability to access work and particularly good work, and many of those in work report struggling with their wellbeing (Orlando, 2021; Youth Employment UK, 2022). These challenges in turn raise concerns about the longer-term impact on young people's future health, and wider life outcomes, since work is a key social determinant of health (Hagell , et al., 2018). At the same time, employers across the UK are struggling to fill vacancies due to a labour and skills shortage driven by fewer people entering work, industrial changes, older people leaving the workforce and high turnover rates (Wilson,2022; CBI, 2022).

These challenges outlined highlight a key window of opportunity. That is for employers around the country to offer young people work which supports good health and is attractive to them – in other words, good quality work. This would allow employers to tap into a wide talent pool that with the right develop can help plug their skills gaps, while supporting young people to regain confidence and faith in the future and support their wellbeing *also* through work. In other words, both businesses and young people would be supported to thrive.

Good quality work: what it is and why it should matter to employers

Measuring job quality and coming up with a unified definition for what constitutes good quality work has been a conundrum for researchers and policymakers. Generally accepted definitions and measures for the quality of work include those developed in The Taylor Review of Modern Working Practices (2017), and by institutes such as the International Labour Organisation (ILO) and the Chartered Institute of Personnel and Development (CIPD). These share common features such as good quality work providing a good and

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1   See D N.F. Bell and D. G. Blanchflower, 2011 on scarring from the Great Recession on young people's employment prospects, substantiating young people's current anxieties.

fair income, job security and stability, opportunities to train and progress, good work-life balance; and which gives employees voice and collective representation.

Despite these common features, to date research has found no consistency with how job quality is measured (Newton, Sinclair, Tyers, & Wilson, 2020), and 'good work' remains a nebulous concept. This is because there is an important element of subjectivity around what constitutes good work for individuals and across different places. However, while we should steer away from rigid categories and tick box exercises, there is a need for guiding principles to set clear, flexible markers of what defines good work. In particular, there is a key dimension to good work which transcends good working conditions, and this is ensuring that work helps employees feel a sense of purpose, value, and enjoyment in their jobs (Orlando, 2021; Allen, Orlando, Wilson , & Higlett, 2022).

Where employers pay careful attention to both tangible and intangible aspects of good work, there are direct correlations with organisational performance including on recruitment, retention, productivity, and business growth (Tamkin, Cowling, & Hunt, 2008). But beyond considerations tied to productivity and growth, employers are increasingly being held accountable, by their employees and prospective hires, for the quality of work that they offer and the ethics of their approach (Allen, Orlando, Wilson , & Higlett, 2022). This is becoming increasingly important among young people, particularly after the pandemic – young people bring clear ideas on what they want from work but are struggling to access work which reflects their aspirations and are feeling discouraged as a result (Orlando, 2021; Youth Employment UK, 2022).

It is important that employers listen to young people's voices and their asks for good quality work which can support a healthy working life, as a healthy workforce is a productive workforce. Most importantly, young people help build an intergenerational workforce, with a diverse mix of skills and talents, which can be harnessed to support businesses, and the communities they serve, to innovate and thrive. This does not only include young people with high levels of qualification but extends particularly to marginalised groups who have faced and are facing disadvantage and complex barriers to work.

The purpose of this research: the Young People's Future Health Inquiry

This report is part of a three-year research project for the Health Foundation's Young People's Future Health Inquiry, focused on understanding how to develop effective approaches in policy and practice which will improve access to good quality youth employment and achieve systemic change across the four UK nations. The inquiry is a wide-ranging, multi-year programme aimed at influencing the policy agenda to recognise that young people's experiences between the ages of 12 and 25 have crucial consequences for their future health outcomes. Work, and specifically the quality of work, is a key wider determinant of young people's health and wellbeing, both in the short- and long-term (Papoutsaki, Byford, Wilson, & Newton, 2019).

This report looks at employers' perspective on and experience of good quality youth employment. It complements previous research focused on young people's views and experiences of good work, which looked at what good quality work and support means to young people, the enablers and barriers they encounter, the quality of their experiences in work, and the impact of the pandemic (Orlando, 2021). The current research explores employers' views and experiences around hiring and working with young people, including their perspective on good quality work, recruitment, management and workplace practices,

outreach and engagement with education and employment services, as well as challenges and support needs.

The aim is to understand how employers' perceptions and experiences of youth employment are evolving, how they compare to young people's own experiences, and how this can inform policy and practice around good quality youth employment. The findings from the research are drawn together to present some initial proposals on what can work to improve access to better quality employment for all young people across the UK.

02 METHODOLOGY

Methodolgy
Research approach

The research reported here uses a youth-centred approach, to ensure the focus of the work is relevant to key themes and issues experienced by young people around employment and good work. This means the design and materials were developed through involving both experienced researchers, with a track record of leading research with employers, as well as young people as experts by experience. To support this, the research materials were reviewed by five Young Advisers who are part of the project's steering group.

The research used a mixed-method approach, which included a survey of 1,011 employers and in-depth interviews with 40 employers. Core to the research was the inclusion of the voices across the UK, therefore, employers within England, Wales, and Scotland were included in the research. The research was not able to access a sufficient sample of participants in Northern Ireland, and this limitation should be noted when reading the findings from the research.

It should be noted that there were separate samples for employers who responded to the survey and those who participated in interviews. This helped diversify the range of views and include employers from a wider range of sectors and locations, but also means that views expressed by employers in the survey may not always be reflected by those expressed in interviews. While the aim of the survey is to highlight broad trends, interviews aim to enrich these findings by providing a textured and nuanced narration of employers' experiences.

Survey collection and analysis

With the support of YouGov, the research team recruited a sample of 1,011 HR Decision makers, specifically staff who have major decision-making involvement or influence in matters of HR in their organisations. The survey used YouGov's B2B panel, which uses stratified sampling quotas and includes employers in small, medium and large businesses across major UK industries. It should be noted that the survey sample is not always representative of the wider demographics for employers. To mitigate this limitation, where possible we have drawn comparisons with previous representative studies (Employer Skills Survey 2019, Employer Perspectives Survey 2016).

The survey took place in June 2022 and asked respondents about their recruitment and workplace practices regarding young people, their views and practices around good quality work, recruitment and retention experiences and challenges, engagement with education and employment support services, and policy and support asks. Data was analysed using a descriptive approach, to provide an overview of key and meaningful trends in employers' views and practices. A breakdown of participants' demographic characteristics is provided in Table 1 on the next page.

Table 1: Respondent demographics as percentage of survey participants

Size		Industry		Role*	
Small (10 to 49)	45%	Manufacturing	13%	I manage the organisation	42%
Medium (50 to 249)	27%	Finance and Accounting	13%	I manage a department	45%
Large (250+)	27%	IT and Telecoms	11%	I manage a team	22%
Region		Construction	8%	I manage a person(s)	10%
North	17%	Retail	8%	Other	4%
Midlands	14%	Hospitality and leisure	7%	**Gender**	
East	6%	Media/ marketing/ advertising	5%	Male	70%
London	29%	Medical & health services	5%	Female	30%
South	24%	Education	5%	**Age**	
Wales	3%	Transport & distribution	4%	Under 35	15%
Scotland	6%	Legal	3%	35-44	26%
		Real Estate	2%	45-54	25%
		Other	15%	55+	33%

*Some respondents in the survey held multiple roles

Source: IES survey of employers, 2022

Interview collection and analysis

With the support of Roots Research, the research team recruited 40 managers and supervisors across small, medium and large organisations who had experience of employing young people. The interviews took place between July and September 2022 and were conducted online. Each interview lasted up to 45 minutes, during which time participants were asked about their views and experiences of recruiting and supporting young people in work, including their views on good quality work, management, workplace practices, as well as challenges and support needs. All the interviews were recorded and then analysed by the research team using a framework method. This method allows for data to be organised into broad thematic areas, under which sub-themes are then generated.

A breakdown of participants' demographic characteristics is provided in Table 2 on the next page.

Table 2: Respondent demographics as a percentage of interview participants

Gender		Industry	
Male	47%	Financial Services	15%
Female	53%	IT and communication	15%
Age		Healthcare	13%
18-29	28%	Retail	10%
30-39	27%	Education	10%
40-49	27%	Construction	8%
50-59	18%	Charity	5%
60+	0%	Transportation and distribution	3%
Region		Architecture	3%
England	62%	Travel	3%
Wales	15%	Real estate	3%
Scotland	18%	Hospitality and leisure	3%
N. Ireland	5%	Medical and healthcare	3%
Ethnicity		Engineering	3%
White	52%	Business administration and support	3%
Mixed	8%	Manufacturing	3%
Black/African/Caribbean	17%		
Asian	22%		

Source: IES-Roots interview sample of employers, 2022

A note on terminology

This research focuses on 'young people', defined as those aged 16-25. We recognise that the term 'young people' does not reflect the full range of characteristics and lived experiences that fall under this umbrella term, and that factors such as age, education, employment status, and place, among many others, intersect to determine very diverse experiences.

01

EMPLOYERS' HIRING PRACTICES

1   Employers' hiring practices

Summary

Although large numbers of young people are currently looking for work, employers are not always hiring from these age groups. In the survey, around a fifth of employers did not hire from the 22-25 age group (21 per cent), two in five did not hire anyone aged 18-21 (40 per cent), and two thirds did not hire from the 16-17 age group (68 per cent) over the past year. These findings are comparable to findings from previous large-scale representative studies (Employer Skills Survey, Employer Perspectives Survey). While it is to be expected that employers hire fewer young people aged 16-17, as most are in full-time education and are economically inactive as a result, young people aged 18-25 are much less likely to be inactive (30 per cent) and much more likely to be looking for work.

Employers who hire young people, are most likely to do it to build a talent pipeline, but lower wages are still a key consideration for many. Employers in the survey recognised the need to recruit younger workers to build the talent pipeline (50 per cent) and widen their candidate pool (31 per cent), and this was echoed in interviews with employers. However, a large minority of survey respondents reported they hire younger workers because it is more affordable (26 per cent) and in the interviews it emerged young employees can still often be found in low-skilled and low-paid jobs.

Employers have limited experience hiring young people facing disadvantage. A quarter of employers have no experience of hiring younger workers who face one or more forms of disadvantage, such as physical or mental health conditions, low qualifications, lack of work experience, a history of unemployment, or caring responsibilities (25 per cent on average). In the interviews, there was also mention of young people's socio-economic background being a steering factor for the roles in which younger workers are more likely to be in, although some employers are starting to pay attention to social mobility and are looking for ways to support this.

This chapter explores employers' hiring practices, including their experiences of recruiting young people as well as their attitudes. This section outlines the findings from the survey and interviews on these themes.

1.1 Employers' experience of hiring young people

In the survey, we asked employers how many young people they hired in the previous year in each of three age groups (16-17, 18-21, and 22-25). Employers' answers are shown in Figure 1 below.

Figure 1: Young people hired in the previous year

One in five employers hired no 22 - 25 year olds, two in five did not hire any 18-21 year olds, and over three in five no 16 - 17 year olds this past year
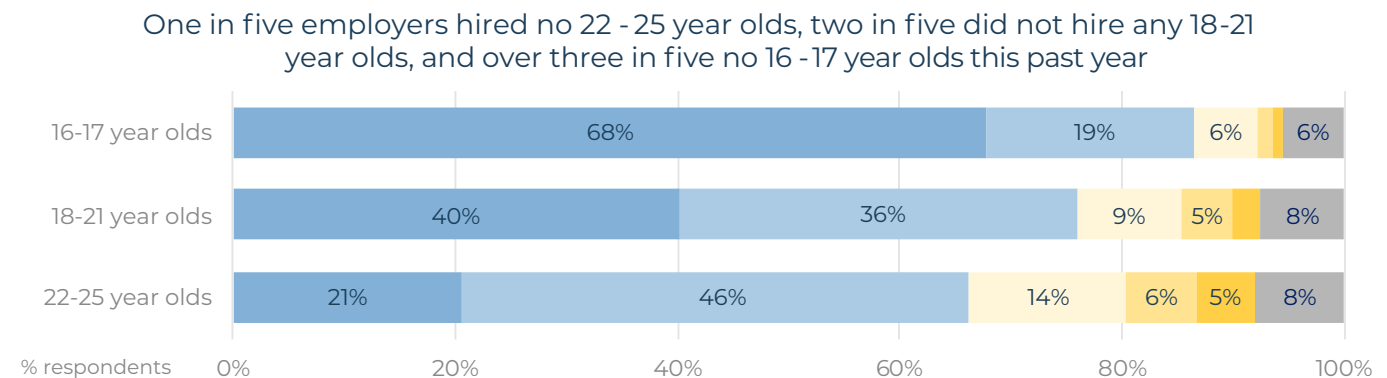
Source: IES survey of employers, 2022

Overall, seven in ten employers (71 per cent) had hired at least one young person aged 22-25, compared to just over half (52 per cent) who had hired from the 18-21 age group, and just over a quarter (27 per cent) who had hired from the 16-17 age group. Comparable representative studies, including the Employer Skills Survey (ESS) and Employer Perspectives Survey (EPS), highlight similar overall trends. The most recent ESS 2019 showed just three in ten employers (30 per cent) had recruited an education leaver (exiting school, further education, or university) in the previous two to three years (DfE, 2020), while the EPS 2016 showed two thirds of employers had hired someone under 25 (DfE, 2017).

It is not surprising that employers tend to not to hire from the 16-17 age group, as the vast majority of these young people are in full-time education (DfE, 2022). However, it is notable that two in five employers in our survey (40 per cent) had not hired from the 18-21 group in the past year, and that one in five (21 per cent) had not hired from the 22-25 group, and that comparable representative studies highlight similar trends. Young people in these age groups are much less likely to be economically inactive (30 per cent) compared to those aged 16-17 (70 per cent), and more likely to be looking for work.

In interviews it emerged that young people usually made up no more than 10-15 per cent of organisations' staff, and many employers identified this as an issue. While some indicated challenges in recruiting people within those age ranges with the right skills and experience, others reported issues around organisational culture and senior leaders not addressing challenges around an ageing workforce. While this insight resonates in part with findings emerging from the ESS 2019, which highlight that a minority of employers find that young people are poorly prepared for work (27 per cent), the ESS also highlighted that the majority of employers who do recruit young people find that they are well prepared for their job role (67 per cent) (DfE, 2020). These findings suggest that employers' lack of propensity to hire young people might be driven by misconceptions more than by young people's preparedness for work.
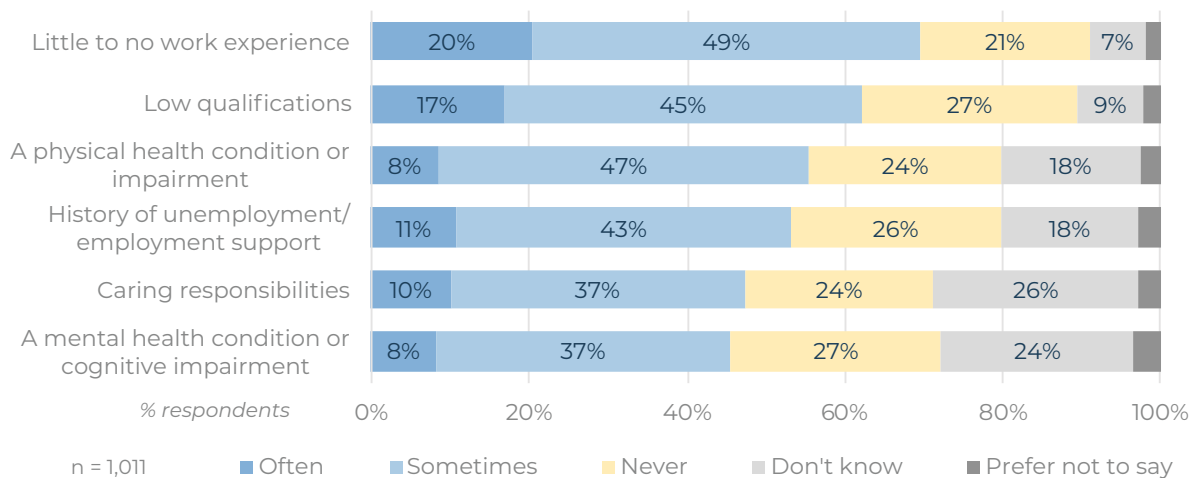
When looking at survey respondents' characteristics, the following findings emerged (see separate Appendix for tables with full findings):

- **Size**. Small organisations were less likely to have hired from younger age groups (19 per cent hired from the 16-17 age group and 36 per cent from the 18-21 age group), compared to medium and large organisations (33 per cent hired from the 16-17 age group and 66 per cent from the 18-21 age group respectively). These findings show a similar trend to that seen in the ESS 2019 for the 16-18 age group (26 per cent in small, 40 per cent in medium, and 51 per cent in large organisations). However, it should be noted the ESS uses different age categories (16-18 and 19-24), so findings are not fully comparable.

- **Industry.** There were interesting variations in employers' views depending on the industry they worked in, though the variation in sample sizes (see Methodology) should be noted when reading these findings. Hospitality had the largest rate of employers who hired young people aged 16-17 (51 per cent) followed by retail (45 per cent), while media and medical and health services had the lowest (22 per cent respectively). Employers in media and medical services were instead most likely to have hired from the 22-25 age group (89 and 79 per cent of employers respectively), while employers in transportation and distribution were least likely (65 per cent). These findings show a similar trend to that seen in the ESS 2019 for the 16-18 age group, particularly for hospitality (50 per cent) and medical and health services (17 per cent).

- **Location**. There were also regional variations across answers, though the variation in sample sizes (see Methodology) should be noted when reading these findings. A higher rate of employers in the Midlands and in Wales had hired from the 16-17 age group (32 per cent and 36 per cent respectively) compared to other regions. London had the lowest rate of employers hiring from this age group (23 per cent) despite the higher concentration of jobs in the capital. These findings show a similar trend to that seen in the ESS 2019 (Midlands 27 per cent, Wales 26 per cent, London 15 per cent).

- **Age.** Employers' age also appears to influence their likelihood of hiring young people. Those aged under 45 were more likely to have hired young people aged 16-18 (38 per cent) compared to those aged over 45 (19 per cent). Respondents under 45 were also more likely to have hired young people aged 18-21 (68 per cent against 43 per cent for over 45s), and those aged 22-25 (84 per cent against 63 per cent).

We also asked employers in the survey whether they had experience of hiring young people who may face disadvantage due to characteristics such as little to no work experience, low qualifications, a physical or mental health condition or disability, caring responsibilities, and a history of unemployment. Employers' answers are shown in Figure 2 on the next page.

Figure 2: Experience hiring young people facing disadvantage

Around a quarter of employers have no experience hiring young people who face disadvantage

Category	Often	Sometimes	Never	Don't know
Little to no work experience	20%	49%	21%	7%
Low qualifications	17%	45%	27%	9%
A physical health condition or impairment	8%	47%	24%	18%
History of unemployment/ employment support	11%	43%	26%	18%
Caring responsibilities	10%	37%	24%	26%
A mental health condition or cognitive impairment	8%	37%	27%	24%

% respondents

n = 1,011 — Often ■ Sometimes ■ Never ■ Don't know ■ Prefer not to say

Source: IES survey of employers, 2022

Across the survey, employers were most likely to have experience of often or sometimes hiring young people with little to no work experience (69 per cent) and least likely to have experience of hiring young people with caring responsibilities or a mental health condition (47 and 45 per cent respectively). However, it should be noted that respondents were also more likely to answer 'don't know' to questions about caring responsibilities and mental health (25 per cent on average) compared to all other answer options.

The survey findings highlight that it is still common among employers to be unaware of whether their young employees and hires, and likely those of all ages, might be facing complex circumstances which may affect their working lives. While direct corelations cannot be drawn, this might indicate an underlying reason why young employees identify poor wellbeing at work and a sense of not feeling valued and supported by their employers (Orlando, 2021).

When looking at survey respondents' characteristics, the following findings emerged (see separate Appendix for tables with full findings):

- **Size**. There was little variation in responses between employers in large and medium organisations, but there was notable variation between large and medium organisations and small organisations. This is likely due to small organisations having limited resources and capacity to invest in the added support that young people facing disadvantage may require to be supported into work (eg occupational health, additional training).

- **Industry.** There were no stark differences across different industries for most dimensions, with a few exceptions. Employers in the medical and health services were much more likely to have often hired young people with caring responsibilities (25 per cent compared to a 10 per cent average for all other industries), and those in hospitality were more likely to have often hired young people with little or no work experience (34 per cent against a 21 per cent average).

- **Location**. Across regions there were largely similar trends in employers' experiences. However, the East of England had a notably lower rate of employers with experience of hiring young people with little to no work experience (55 per cent), caring responsibilities (45 per cent), a history of unemployment (41 per cent), a physical or a mental health condition (30 per cent respectively) compared to all other regions.

- **Age.** Respondents to the survey who were aged under 45 were much more likely to have experience hiring young people with one or more of the characteristics outlined above (63 per cent on average across all dimensions) compared to those aged over 45 (50 per cent on average). The gap is larger when comparing respondents aged under 35 (67 per cent) to those aged over 55 (50 per cent).

In the survey, we then asked employers what their reasons were for hiring young people, allowing them to code multiple reasons. Employers' answers are shown in Figure 3 below.

Figure 3: Reasons for hiring young people (multi-coded responses)
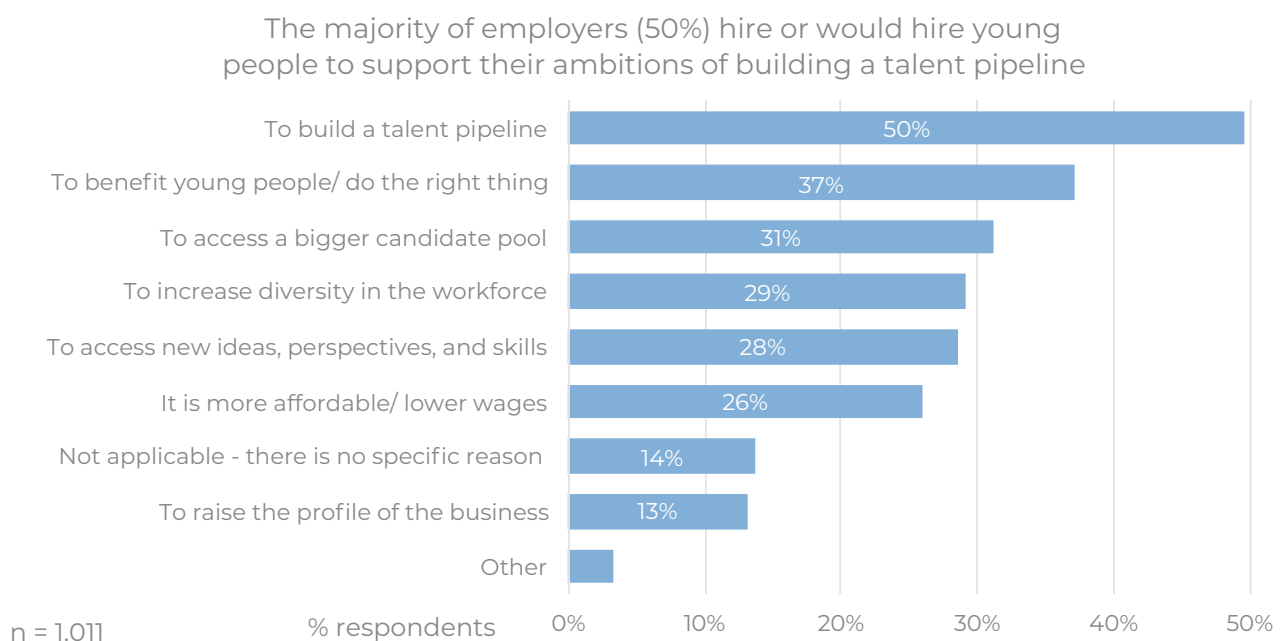
The majority of employers (50%) hire or would hire young people to support their ambitions of building a talent pipeline

Reason	% respondents
To build a talent pipeline	50%
To benefit young people/ do the right thing	37%
To access a bigger candidate pool	31%
To increase diversity in the workforce	29%
To access new ideas, perspectives, and skills	28%
It is more affordable/ lower wages	26%
Not applicable - there is no specific reason	14%
To raise the profile of the business	13%
Other	

n = 1,011

Source: IES survey of employers, 2022

Overall, employers in the survey were most likely to hire young people as part of their ambitions to build a talent pipeline (50 per cent) and least likely to do it to do it to raise their organisation's profile (13 per cent). However, over a quarter of employers (26 per cent) said they hired young people because it was more affordable. Employers in small organisations were more likely to not have a specific reason for hiring young people (18 per cent) compared to those in medium (13 per cent) and large organisations (8 per cent). Those in large organisations were more likely to hire young people to access a bigger candidate pool (39 per cent, compared to 33 per cent for medium, and 25 per cent for small organisations) and to increase diversity in the workforce (38 per cent compared to 33 and 22 per cent, respectively).

1.2   Employers' attitudes when hiring young people

While the survey questions focused largely the propensity of employers to hire young people (for example, the reasons for hiring and the likelihood of hiring those facing disadvantage), the interviews explored the rationale behind this behaviour. Within these conversations employers were asked about the roles that they felt younger workers were suited to within their organisations, in addition to how and why they choose to recruit certain groups of younger workers.

It is worth noting that employers used certain language when talking about younger workers, often describing them as 'kids' or 'youngsters'. The evidence is somewhat conflicting about the impact of this kind of language in different contexts (Turolla et. al., 2022), and there is no consensus as to whether it helps, or hinders, the experience of young people in the workplace. On the one hand, it may indicate either a nurturing or paternalistic attitude to the support and development of younger workers. On the other, it might reflect assumptions about the contexts of young workers – such as that they live with the support of parents or others. These in turn might unfairly drive perceptions that good quality work and a living wage are less important to this group of workers.

Roles for younger workers

The employers that were interviewed reported that the type of work younger people are recruited into can be broadly organised into entry-level roles, including those that are designed around training/gaining experience such as apprenticeship and graduate schemes, and Kickstart/intern programmes, and work that falls outside of the typical 9-to-5 (eg weekend and seasonal work – some examples included barista work, housekeeping, sales advisors and kitchen preparation). Employers in the interviews did not as a rule identify that their roles were designed in a way that would mean they were more likely to be allocated to younger workers, based on levels of pay, skills, experience and other requirements. However, when discussing who filled those roles, and how the recruitment process happened, it often emerged that it was indeed young people who were in these jobs.

Hiring practices

The employers we spoke to explained that, by using particular recruitment practices, it was possible to appeal to a younger audience. Although many used standard practices such as Indeed and Job Centre Plus, there was some acknowledgement that there was a need to look to other 'creative ways to advertise', such as using social media and posting job adverts in physical locations in which young people tend to congregate. For example, employers (including technology firms) used social media advertisements as it allowed them to target

quite a specific, young and local labour pool that had skills in a certain area (eg using Java). In other cases, emphasis was placed on the importance of building relationships with local institutions such as colleges and universities. This was either done by attending university fairs/open days, giving guest lectures and/or offering work experience placements.

> *"For **youngsters** what we have noticed – putting up specific requirements on social media seems to work very well. Have been heavily advertising on LinkedIn. Sometimes you can see our ad on YouTube, we have been attracting talent there as well."*
> Senior IT Manager, Information Technology, England
>
> *"In the last couple of years – social media has been a big thing. Asda, B&M, Costa, Home Bargains - a lot of them recruit young people. They send me a link to put up to advertise on social media page, because they're trying to attract the younger generation. I put job ads up on social media, either on Facebook or Instagram."*
> Admin, Retail, Northern Ireland

Where employers were hiring for office-based roles, they found that specifying the option for hybrid/remote arrangements helped attract younger workers to apply. These employers believed the current generation of young workers expected this to be part of the employment offer.

Other employers found that hiring through word-of-mouth and recommendations was also effective for younger workers. For one employer this was a way to ensure that the staff that they hired were more likely to be trustworthy and loyal to her organisation, whereas for another employer they found this to be a particularly effective way to circumvent some of the current recruitment challenges within the hospitality sector. Nevertheless, both were aware that this approach could 'dry up' and needed to be supplemented with other recruitment methods. Furthermore, previous research has found that this approach can create a situation whereby an employer is likely to replicate the current diversity (or lack of it) in their workforce (Newton et al., 2005).

> *"If I hire someone and they pass their probation I give the person who recommended them £50 as a little hiring incentive. If my staff like working here, then they are more likely to recommend it to their friends. If you're hiring out of nowhere…*
> *oh my God, it sucks at the moment."*
> Deputy Restaurant Manager, Hospitality, Wales

Intersectional segregation

There was some evidence to suggest that the intersection of age and class was a determining factor in the type of work that young people could access from the employer perspective. There were several examples in the interviews whereby younger people from poorer inner city or rural parts of the UK who had not been through higher education were either excluded from particular roles within organisations or were recruited to roles with few prospects for progression or longer-term growth. In one example, a hospitality manager explained that they had a preference for students attending a local top university over students from the local London borough, so they actively advertised for roles in physical

and online university spaces. In another example, a marketing manager suggested that the young people working in the head office call centre role in Cardiff were of 'a different calibre' than those working in rural high street banking branches – creating a situation whereby those with a university background were offered greater job security, and opportunities for training and progression. The main difference being the areas that they grew up and their educational background. On the other hand, some employers were alert to social mobility and the effects of being from a low socioeconomic background, and so were aware of the organisational support needed to allow disadvantaged younger people to work their way up in the organisation. While on the basis it is not possible to comment on the scale of views such as this, these data suggest that social class remains a factor in recruitment and progression within employment and this has particular ramifications for young people entering the labour market.

> *"More recently in the last 18 months – we've used the Kickstart funding. Ended up with younger people working in our team, in customer service. In customer service we always worked with younger people, good entry point to the organisation – good training ground to learn about all aspects of business and then move on to other parts of the organisation."*
>
> Head of Customer Service, Charity, England

02 VIEWS AND PRACTICES AROUND GOOD WORK

2 Views and practices around good work

Summary

There is a discrepancy between employers' and young people's perceptions of good work. Employers in the survey identified the key facets of good work for young people as an enjoyable workplace environment (43 per cent); a job that feels interesting and fulfilling (42 per cent) and a job that offers opportunities to progress (41 per cent). Pay above industry standards and security and stability were identified as crucial facets by a minority of these employers. This contrasts with young people's views, where pay, security and stability, and work-life balance rank highly (Orlando, 2021). On the other hand, both employers and young people rated a job that feels interesting and fulfilling highly in their priorities for good quality work.

Employers feel skills, experience and confidence hinder young people's access to good work, but also recognise there is unequal access to work. According to employers in the survey, a lack of skills (42 per cent) experience (36 per cent) and confidence (34 per cent) are the major obstacles that young people face to accessing good quality employment. Again, this differs from young people's views which highlight having connections and access to networks, and mental health as key elements that enable access to good work. Employers in interviews recognised that there is unequal access to work for young people and highlighted that it is becoming harder for young people to access good work, given employers' requirements for experience, skills, and qualifications, a preference for candidates from Russell Group universities, and recruitment practices such as using recruitment agencies and AI.

Employers are aware of what makes good work and are confident that they offer it to young people, but their perception of this varies from young people's. Employers in the survey rated themselves highly across most dimensions of good work (enjoyable work environment, security and stability, an interesting job, support, learning and development, opportunities to progress). Many in the interviews showed a high level of awareness of what is important for good work and shared a range of good practice that they implement in their organisations, from good job design and management, to opportunities for learning, and enjoyable workplace environments. However, their concepts differ notably from the perception of young people, who feel that most opportunities available to them are of low quality and report that their health and wellbeing are negatively impacted in the workplace. It should be noted that in both the survey and interviews employers recognised that pay is an element of good work which they cannot always provide, and this is quite key to overall experiences of work and may in part help explain young people's differing views around the quality of the work available to them.
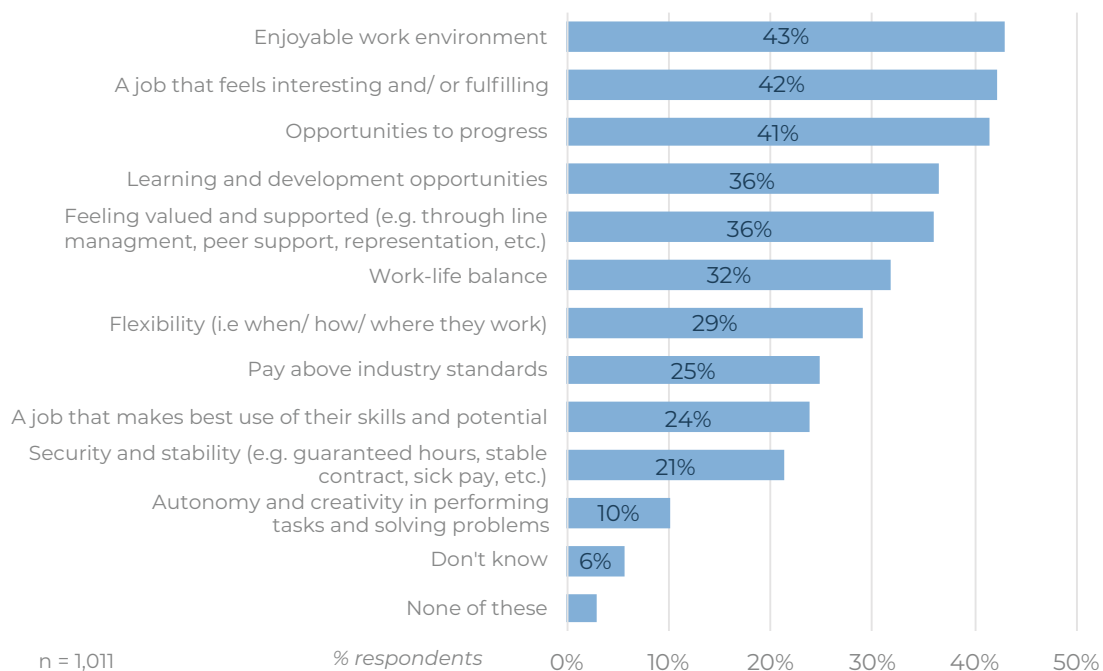
The second topic we explored with employers is their views and organisations' practices when it comes to providing good quality work to young people. This section outlines the findings from the survey and interviews on these themes.

2.1 Employers' views on young people's asks of good work

In the survey, we asked employers what they thought young people looked for in 'good quality work'. We presented employers with the same answer options we used in our survey and interviews with young people exploring good quality work (Orlando, 2021), to allow us to compare findings. Employers' answers are shown in Figure 4 below.

Figure 4: Views on what young people look for in good quality work (multi-coded responses)

Only a fourth of employers think pay is key to what young people look for in good work and only a fifth think security is key.

	% respondents
Enjoyable work environment	43%
A job that feels interesting and/ or fulfilling	42%
Opportunities to progress	41%
Learning and development opportunities	36%
Feeling valued and supported (e.g. through line managment, peer support, representation, etc.)	36%
Work-life balance	32%
Flexibility (i.e when/ how/ where they work)	29%
Pay above industry standards	25%
A job that makes best use of their skills and potential	24%
Security and stability (e.g. guaranteed hours, stable contract, sick pay, etc.)	21%
Autonomy and creativity in performing tasks and solving problems	10%
Don't know	6%
None of these	

n = 1,011

Source: IES survey of employers, 2022

Around two in five employers believe the top three things young people looked for in good work are an enjoyable work environment (43 per cent), a job that feels interesting and fulfilling (42 per cent), and opportunities to progress (41 per cent). Employers tended to put a lower rating on good terms and conditions, accordingly, a quarter of employers said that young people looked for pay above industry standards (25 per cent), and just above a fifth said they looked for security and stability (21 per cent).

When comparing employers' views to those of young people's views on this question (Orlando, 2021), variations emerge. The top elements of good quality work for young people were: a job that is interesting and fulfilling, fair and good pay, security and stability, and work-life balance. While both sides agree that work should be fulfilling and interesting, young people tend to prioritise good terms and conditions in contrast to employers.

There was little variation across different organisation sizes and industry sectors in the prior-itisation of these factors. Instead, there was a high degree of consistency in employers' views across industries, regions, roles, and ages, making the contrast with young people's views even starker.

In the qualitative interviews, overall, the employers we spoke to identified similar factors to the aspects of good work presented in the survey. Meaningful work, opportunities for development and progression, decent pay, secure work, a good workplace environment and flexibility were identified as the key attributes. However, the interviews generated additional insights in that line management was seen as a key enabler of good work and health and wellbeing was also seen as becoming increasingly important.

Meaningful work

While the survey responses identified the workplace environment as the key factor in good employment for young people, interviewees highlighted meaningful work that gives young people a sense of purpose and value. For employers, meaningful work related less to the purpose of a job itself, although there were some employers who spoke about young people wanting social purpose and a sense of prestige or status from their work. Instead, many employers focused on the importance of young people being given interesting and fulfilling roles, with opportunities and support to make contributions to an organisation.

> *"We try and move people around so they're doing different things, get diversity and if they find stuff they're interested in. Keeps it interesting for the staff which hopefully allows you to do better work, so you're not falling in a routine."*
>
> Managing Director, Manufacturing, England

Training and development

Providing opportunities for learning and development were also identified as important factors in good quality work by employers. Employers had found that young people were keen to undertake opportunities for education and training, both on and off the job. Some employers linked this to the importance of supporting young people to explore and identify their skills and life goals at the beginning of their career and support their ambitions for progression.

> *"It's a huge thing for both parties. We have to keep our talent pipeline going. But we have to make sure we have the right tools and trainers because lots of time and money goes into it. [But we also have to make sure] that it's enjoyable, that young people see the value and benefit. Needs to open their minds, make them curious."*
>
> Senior Recruitment Consultant, Construction, Scotland

Progression

As well as learning and development, progression was identified by a number of employers during interviews as being a key factor in good quality employment. This included providing clear progression pathways, internal progression opportunities and discussions about career development. Predominantly these employers linked progression to the previous themes of development and being recognised for making meaningful contributions, though in some cases it was also linked it to pay rises and gaining new job titles.

> *"What young people want is a clear idea of what is in it for them. And what has changed is that young people are so much more entitled now. You bring them in and if it's not working for them they will tell you and they will go... I think it's because they have a strong sense of their own value."*
> Marketing Manager, Financial Services, Wales

Pay

While the survey suggested that employers saw pay as relatively low on the list of factors that make a good job, having a decent level of pay was a factor identified by many employers during interviews, suggesting a slightly more nuanced picture than the survey. A view was also expressed that while young people deserved good pay, they lacked the confidence to ask for pay rises; however it was not clear that employers would challenge notions of their expectations related to minimum wage through improving pay.

> *"It's a combination of challenge, making a difference and being given space to be creative. The other aspects are perks, the benefits, the pay – they come in the picture, but not at the initial stage."*
> Senior IT Manager, IT, England
>
> *"They don't ask for pay rises but probably it comes down to confidence and expectations - they probably expect minimum wage."*
> Pharmacist, Retail, England

Strikingly, employers discussed pay as being important in relation to providing basic security and meeting workers' material needs, rather than discussing pay above industry averages as being an indicator of good work. There was a distinction raised between the Real Living Wage and the government's minimum wage rate that applies to people under 25. While not all employers are able to provide pay above industry standards, other means of rewarding and providing progression for young people were discussed in section 2.2.

> *"[A job should pay] at least the Living Wage, on Minimum Wage they will struggle with housing etc. There's a temptation from employers to think young people have support from parents."*
> HR Officer, Education, England

Workplace environment

Having an enjoyable work environment emerged as a less important theme among the employers interviewed than in the survey, where it was identified as one of the most important factors. Where the employer interviewees spoke about the importance of workplace environment, they highlighted that it should provide a supportive culture, a space to socialise, as well as a professional environment.

> *"[Young people] really want to work for a company where there's a good culture."*
> HR Manager, Retail, England
>
> *"With younger people if they're coming to the workplace and there is a lot of young staff – the transition from being someone new and settling in is a lot easier because there's kids of similar ages, they're peers."*
> Airport Security Manager, Travel, Scotland

Management

Some employers expressed the importance of good management in providing good quality work for young people, as good line management is necessary to facilitate all other factors of good quality employment such as feeling valued, meaningful work, progression, and development.

> *"In my opinion management…is probably the most important because they're going to decide on whether [elements of good work] are facilitated or not."*
> Manager, Hospitality, England
>
> *"You need to ensure managers are good at people managing to bring the quality out. You need to have a good relationship with your manager as a young person, it's huge – there's so much guiding and helping them to become who they are."*
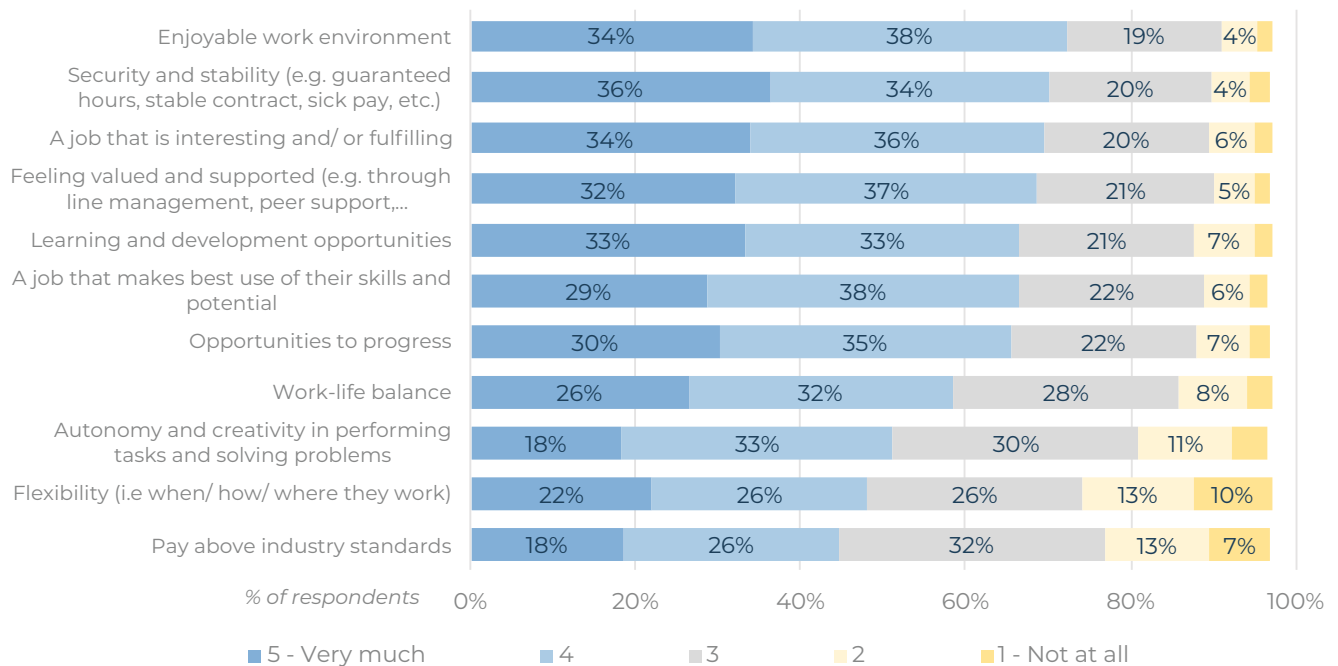> Senior Recruitment Consultant, Construction, Scotland

2.2   Employers' perceptions of their offering of good work

The survey and interviews also explored to what extent employers were able to offer good quality work to young people. The survey asked employers to what extent, on a scale from one (not at all) to five (very much) they felt their organisation offered young people those same elements of good work. Employers' answers are shown in Figure 5 below.

Figure 5: Rating of organisation's offering of good quality work to young people

The large majority of employers rate themsleves highly across most dimensions of good work, except for flexibility (48%) and pay (44%)

	5 - Very much	4	3	2	1 - Not at all
Enjoyable work environment	34%	38%	19%	4%	
Security and stability (e.g. guaranteed hours, stable contract, sick pay, etc.)	36%	34%	20%	4%	
A job that is interesting and/ or fulfilling	34%	36%	20%	6%	
Feeling valued and supported (e.g. through line management, peer support,...)	32%	37%	21%	5%	
Learning and development opportunities	33%	33%	21%	7%	
A job that makes best use of their skills and potential	29%	38%	22%	6%	
Opportunities to progress	30%	35%	22%	7%	
Work-life balance	26%	32%	28%	8%	
Autonomy and creativity in performing tasks and solving problems	18%	33%	30%	11%	
Flexibility (i.e when/ how/ where they work)	22%	26%	26%	13%	10%
Pay above industry standards	18%	26%	32%	13%	7%

% of respondents

Source: IES survey of employers, 2022

The majority of respondents rated themselves quite highly across the majority of dimensions, indicating employers are quite confident that they offer young people good quality work. The element of good work where employers felt they performed least well was offering young people pay that was above industry standards, with just above two in five (44 per cent) rating themselves highly (as a five or a four). It is worth reflecting that it is still common among employers in some industries (hospitality, food, retail, leisure in particular) to pay very low wages, and alongside this young people are over-represented in low-earning roles (ONS, 2021).

When looking at survey respondents' characteristics, the following findings emerged (see separate Appendix for tables with full findings):

- **Size**. Employers in small organisations rated themselves highest (as a five or a four) for enjoyable work environment (71 per cent), a job that is interesting (70 per cent) and security and stability (68 per cent), while fewer rated themselves highly on pay (39 per cent). Employers in medium organisations followed a similar pattern. Employers in large organisations rated themselves highest for opportunities to progress (76 per cent), learning and development opportunities (73 per cent), and enjoyable work environment (72 per cent), while fewer rated themselves highly on autonomy and creativity (53 per cent).
- **Industry.** Across industries, employers rated their organisation highest on enjoyable work environment, feeling valued and supported, a job that feels interesting, learning and development opportunities, security and stability, and opportunities to progress, with around 66 to 80 per cent of respondents rating themselves as a five or a four. Across industries, employers rated themselves lowest on pay and autonomy and creativity.
- **Age**. Respondents to the survey who were aged under 45 were more likely to rate their organisation highly (five or four) on a range of elements compared to those over 45, including work-life balance (64 per cent of those under 45 and 56 per cent of those over 45), flexibility (59 per cent and 42 per cent), autonomy and creativity (58 per cent and 47 per cent), and pay (51 per cent and 41 per cent). The gap is larger when comparing respondents aged under 35 to those aged over 55, particularly when it comes to rating themselves highly on flexibility (67 per cent of those under 35 and 36 per cent of those over 55).

Interviews with employers also explored to what extent employers felt they offered good quality work to young people and what obstacles they face by exploring how they put key elements of good work into practice and what factors hinder them in doing so.

Meaningful work

Across industries employers discussed providing a sense of purpose and meaning to young employees through well-defined job roles (regardless of their content) and clear job descriptions to provide transparent expectations for employees. This was viewed as providing a sense purpose, direction and development in young people's working lives, enabling young people to feel that they were performing their role successfully, overcoming challenges and making valuable contributions to their employer. Opportunities to give young people autonomy were also often mentioned by interviewees as key, although this was often challenging when young people were early in their career or performed roles with little space for creativity.

> *"A real job with real responsibilities...they need to feel their work and what they're doing is important."*
> Senior HR advisor, Tech, England

> *"Whatever they're doing, they understand that it fulfils a purpose and a need and therefore they are a valuable sort of cog in an overall sort of chain."*
> Director, Healthcare, Scotland

Several employers recognised that having generic or unclear job descriptions could hinder good quality work and make it hard for managers and young people to measure progress. Others highlighted the importance of providing young people with challenging and varied roles which made work stimulating and enabled young people to learn, explore and develop quickly at the start of their career.

Training and Development

Many employers discussed providing training opportunities across the board, rather than delivering training specifically for young workers. Training provision varied significantly between employers encompassing informal or on the job opportunities, internal regular training modules, onboarding training, and longer training courses.

> *"We do a lot of internal training, and then depending on the role there are opportunities to complete a qualification, and we're flexible in supporting them in those. We fund it and set it all up."*
>
> Team manager, Healthcare, Wales

However, several employers discussed factors that hinder their ability to provide training, such as limited resources. In one case a retail employer said that they need young employees on the shop floor so cannot offer training, implying that they were not willing to incur additional costs by paying for cover while employees are taking part in training. A technology company was similarly concerned about the cost of training. While this company offered extensive training, they perceived a risk of training up young people who would subsequently leave them for another employer.

> *"[Funding training and qualifications] is a risk for the company that is very loss-making if they resign, if they improve their profile they might get a better package elsewhere."*
>
> Analyst, Financial Services, Englands

Progression

While progression was recognised by employers as a key facet of good quality work for young people, few in the interviews discussed having clear progression pathways which showed opportunities for promotion and the steps taken to get there. Some discussed having transparent and consistent pay grades with progression based on annual reviews and achievements of key performance indicators (KPIs). In some cases, progression pathways were not always transparent and inclusive. Where employers used more informal mechanisms for progression such as earmarking promising young people for management pathways this could introduce a risk of bias where this is not based on objective performance indicators.

> *"There's fair amount of progression hierarchy on site, and you undergo training to progress. We already earmark young people we think will go into management, we keep a list and if opportunities come up we put them forward. We have eye out for who we think will be bumped up."*
> Labour Manager, Construction, England

Some small businesses discussed the lack of progression in their organisations as a problem for young people, as did a charity which was not able to offer specific career paths. In some cases, these employers rewarded young people's contributions in other ways, such as recognising good work and good ideas.

> *"[Recognition and progression for young people is] ok, it's not always the younger people [who progress]. But their ideas are given credence."*
> Senior Recruiting Partner, Information and Communication, England

Pay

Where employers discussed pay, they often described offering standards of pay at, or just above, the national living wage, while some disclosed paying the minimum wage. This seems to contrast with the widespread agreement among interviewees that offering a good salary was an important marker of good work. While not universal, there was some recognition that the pay offer was too low, due to high living costs for young people, especially rental accommodation. Other terms and conditions that were discussed less frequently included bonuses, holiday allowances and pensions.

> *"We do offer good salaries, we don't pay below the Living Wage set by the Living Wage Foundation, so the real Living Wage."*
> HR Officer, Education, England
>
> *"It's minimum wage, not huge opportunity to give bonus or better conditions."*
> Project Manager, Retail, Scotland
>
> *"At start we could get no staff because pay was £9.5h and no one wanted to work, so moved to £10.5h but still found it difficult, then moved to £11.5h – that's a little bit more than your average companies."*
> Airport Security Manager, Travel, Scotland

Security

While secure contracts were recognised as an important element of good quality work, some employers in the interviews recognised that they had previously or currently offered contracts that could be unappealing to young people (and others) due to a lack of stability. Examples of this included a local authority that provided zero hours contracts and a security firm that had recently expanded its workforce by moving to temporary, flexible contracts.

> *"The way our contracts are run – as zero hours effectively. We'd offer 16 hours worth of work, but if one project falls through they lose those hours and they only get couple weeks' notice. Understand why it does not appeal to a young person."*
>
> Audit Practitioner Manager, Education, England

Management

While most employers taking part in interviews said that their managers brought personal qualities such as being friendly, compassionate, supportive, and transparent, there was recognition that not all good employees make good managers. They also identified the importance of line management on a young person's experience, particularly within their first role. For some there were resourcing constraints, which led to less-than-optimal management – such as being able to employ just one manager on a shift. An interviewee from a tech start up, recognised that young workers who were managers themselves received little support which inevitably had an impact on those they managed.

> *"People in management positions don't get support sometimes, managers need to have a bit more training on how to deal with different age groups, personalities, and reasons as to why young people are leaving the business and adapt what we do and should be afforded more bespoke training."*
>
> Team Leader, Financial Services, Wales

Workplace environment

When discussing their ability to provide a good workplace for young people a number of employers spoke about the opportunities and challenges of remote working. Most of these employers believed that remote working functioned well for young employees so long as they were provided with the right equipment, support and had the option to work flexibly where possible. Despite this, some employers believed that young people who were early in their careers would benefit from the option to work in an office to gain formal and informal support such as shadowing.

> *"Being remote and distributed - they report they want more socials, they want to connect to the team, socialise out of work. We struggle with it. It's also hard to bridge gap because we hire a lot of older people with families."*
>
> HR Manager, Information and Communication, England

Many employers spoke about how they felt that social aspects of work were particularly important for younger employees, and some reported feeling as though they should be doing more on this. Employers with younger workforces said that this created a vibrant, fun and welcoming environment for young people, with opportunities for peer support. A number of employers spoke about the need to make work fun for young people, and some employers facilitated this by providing social opportunities in the workplace.

> *"My manager is 33, I'm 29, then we have a couple of people aged 23-24, and one aged 27. The average age has gone down so much. So the way we work now is so different, we are always online, we have TikTok, we use such different channels. We're much more young person orientated. The environment in the office has changed, it's a lot more young and vibrant environment."*
> Labour Manager, Construction, England

Support for health and wellbeing

Support offered for health and wellbeing ranged across employers. Some offered interventions such as Employee Assistance Programmes, free counselling, and insurance, and to a lesser extent gym memberships, and access to occupational therapies. Others offered interventions to support health and wellbeing, including mental health first aiders, wellbeing champions, and mental health awareness events. Some employers also discussed elements of job design such as flexible working, shorter meetings, and time after meetings to socialise which helped support wellbeing.

> *"Mental health has become a really big issue and is prevalent all the time, our organisation has put lots of investment in MH first aid. Held lots of MH awareness months and drop ins."*
> Head of Customer Service, Charity, England

A small number of employees discussed sick leave while others offered other flexible ways of taking leave to support wellbeing, such as 'wellbeing days', or hybrid working arrangements to help support the need for individuals to take breaks and work flexibly. These employers reported that this improved productivity, motivation, and morale across the board.

However, there were also employers who disclosed not being able to provide the level of health and wellbeing support they would like, particularly around mental health, due to limited resources.

> *"We used to have a scheme for mental health support, vouchers, etc but company stopped offering it. We provide private healthcare to two or three senior members of staff."*
> Managing Director, Manufacturing, England
>
> *"We have an employee assistance helpline – but everything is driven by cost unfortunately, it's the big thing standing in the way. Because we're in retail, we're having a really difficult time."*
> Project Manager, Retail, Scotland

Voice and recognition

Some employers discussed facilitating employee voice through staff consultations and surveys including around wellbeing and returning to work following the Covid-19 pandemic. Several highlighted unions as a key vehicle for employee voice, yet others took a less formal approach and used spokespeople and advocates to raise employees' issues with management. Some recognised that young people could feel intimidated about voicing opinions due to their junior position. Others explained how younger employees found support through other networks (such as for disadvantaged groups) through which they were able to seek representation. Finally, mentors were also discussed as a key means of ensuring that young people's voices are heard.

> *"We run an employee engagement survey, then we go to the council of reps which includes all ages and ask them what they want to improve and how they think we could do it. Doing it regularly has brought the survey results much higher, predominantly with the younger workforce. I don't always know what they know and want, especially with the younger workforce."*
>
> Team Leader, Financial Services, Wales

Autonomy and creativity

Some employers spoke about the importance of providing young people with the opportunity to be creative and work autonomously in their roles. These employers felt that this has a dual benefit since it supports businesses needs by ensuring a flow of fresh ideas and perspectives, and the needs of the young people by giving them job satisfaction and development opportunities. This was particularly important in the tech and design sectors.

> *"We should give [young people] space within a certain framework to express their ideas...that can be very refreshing for a business. You can learn a lot of new things, new approaches."*
>
> Manager, Hospitality, England

On the other hand, creativity and autonomy were harder to provide in more process driven industries, such as finance and health, where there are strict procedures to follow. Similarly, a retail employer suggested that autonomy increases with progression meaning there are fewer opportunities for young people to be creative. Some employers suggested it was possible to overcome this through good management and support to young workers.

> *"It's very process driven (...). We're quite boring, making it exciting is quite the challenge – but helping them see their value across the organisation can quite help. It helps with motivation, and also helps them touch base with other colleagues that do the same role."*
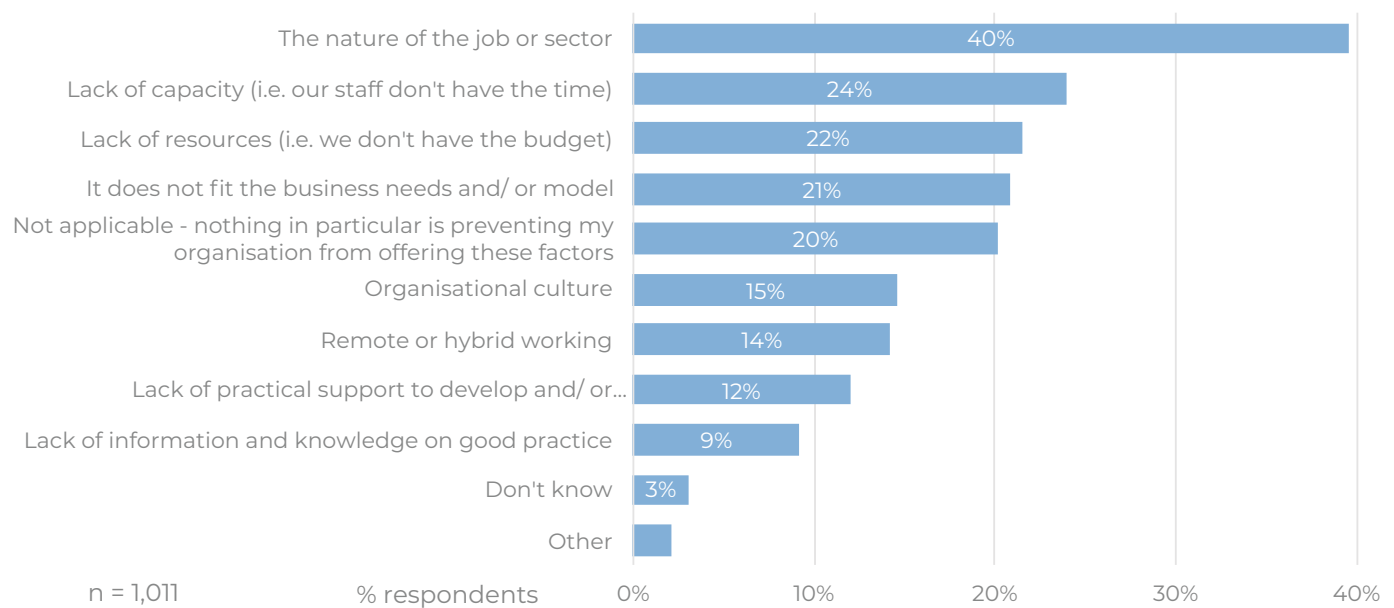>
> Project manager, Healthcare, England

2.3 Employers' views on obstacles to providing and accessing good work

The survey also asked employers about the obstacles that they faced when looking to provide good work to young people, particularly in relation to the facets of good work where they rated their organisations low on the scale. Employers' answers are shown in Figure 6 below.

Figure 6: Barriers to offering good work to young people (multi-coded responses)

Two in five employers (40%) feel that the nature of the job or sector in which they work act as a barrier to offering young people some elements of good work
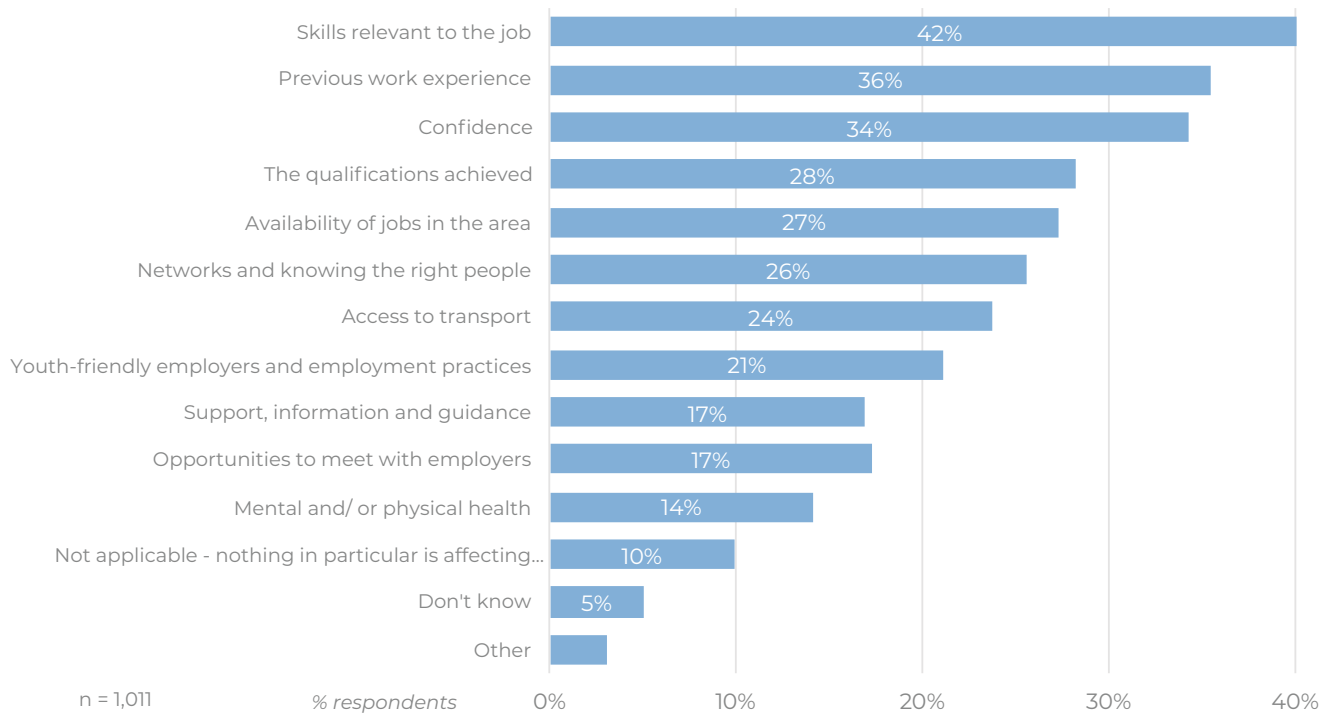
Barrier	% respondents
The nature of the job or sector	40%
Lack of capacity (i.e. our staff don't have the time)	24%
Lack of resources (i.e. we don't have the budget)	22%
It does not fit the business needs and/ or model	21%
Not applicable - nothing in particular is preventing my organisation from offering these factors	20%
Organisational culture	15%
Remote or hybrid working	14%
Lack of practical support to develop and/ or...	12%
Lack of information and knowledge on good practice	9%
Don't know	3%
Other	

n = 1,011   % respondents

Source: IES survey of employers, 2022

Two in five employers (40 per cent) said the nature of the job or sector itself presented an obstacle to providing some elements of good quality work to young people. This was followed by around a quarter of employers (24 per cent) who said challenges were tied to a lack of capacity, around a fifth (21 per cent) that said lack of resources and a fifth (20 per cent) that said the business needs or model presented a challenge. One fifth of employers (20 per cent) were confident that there was no issue in particular that prevented them from offering good quality work to young people.

Finally, the survey asked employers what they thought were the obstacles that young people generally faced in accessing good work, beyond what they or their organisations offered. This question presented employers with the same answer options that were used with young people in the previous research (Orlando, 2021), to allow us to compare findings. Employers' answers are shown in Figure 7 on the next page..

Figure 7:   Views on barriers preventing young people from accessing good work (multi-coded responses)

Employers think key barriers preventing young people from accessing good work are relevant skills (42%), work experience (36%), and confidence (34%)

Barrier	% respondents
Skills relevant to the job	42%
Previous work experience	36%
Confidence	34%
The qualifications achieved	28%
Availability of jobs in the area	27%
Networks and knowing the right people	26%
Access to transport	24%
Youth-friendly employers and employment practices	21%
Support, information and guidance	17%
Opportunities to meet with employers	17%
Mental and/ or physical health	14%
Not applicable - nothing in particular is affecting…	10%
Don't know	5%
Other	

n = 1,011

Source: IES survey of employers, 2022

Around two in five employers (42 per cent) thought that the major obstacle young people face is lacking relevant skills for the job. This was followed by just above a third of citing lacking previous work experience (36 per cent) and confidence (34 per cent) as barriers. Around a quarter of employers thought major challenges were tied to accessibility, both in physical and social terms, including availability of jobs in local areas (27 per cent), access to networks and knowing the right people (26 per cent), and access to transport (24 per cent). Less than one in five employers considered support and guidance, opportunities to meet with employers, and health issues as barriers (17 per cent, 17 per cent, and 14 per cent respectively). One in ten employers (10 per cent) didn't think there were any obstacles affecting young people's access to good work.

When comparing these findings to what young people told us when asked about this theme, there are some substantial differences in perceptions and experiences. The majority of young people felt work experience, having networks or knowing the right people, and mental health were key factors enabling or hindering their access to good work, most often acting as barriers rather than enablers. It is particularly striking to see the variation in the way mental health is perceived by employers and by young people, highlighting once more the risk that employers may not be in touch with the struggles young people experience and how these impact access to and experiences of work.

When looking at survey respondent characteristics, the following findings emerged (see separate Appendix for tables with full findings):

- **Size**. There were no considerable variations in employers' views across different organisation sizes across most elements. However, a higher rate of employers in small and medium-sized organisations viewed availability of jobs in local areas as obstacles to young people's ability to access good work, compared to employers in large organisations (30 per cent, 28 per cent, and 21 per cent respectively).

- **Industry.** Skills, work experience, and confidence were the top answers across most industries, but there were some outliers. A lower number of respondents in retail and hospitality selected skills (28 per cent and 31 per cent), the same was the case for work experience in finance (28 per cent), IT (27 per cent), and medical and health services (24 per cent). Confidence ranked lower for those in IT (24 per cent) and in transportation (22 per cent). Availability of jobs in the local area was seen as a key challenge for a higher number of respondents in retail (38 per cent).

- **Location.** Confidence was a key challenge for a lower rate of employers in the North of England (29 per cent) than for those in other parts of the country. Networks and knowing the right people felt to be more of a challenge in London (33 per cent) than in other places. Access to transport was a key barrier for employers in the East of England (30 per cent) and in Wales (33 per cent). Having the right qualifications came higher for employers in the Midlands (32 per cent), in London (34 per cent) and in the South of England (30 per cent).

- **Age.** Respondents' age also appears to influence views on obstacles young people encounter, and differences in views are starker between respondents aged under 35 and those aged above 55. In particular, a lower number of employers under 35 (25 per cent) considered skills for the job to be a barrier compared to those aged over 55 (50 per cent) and the same went for qualifications (22 per cent and 36 per cent). A higher number of those under 35 (25 per cent) instead considered support and guidance a key barrier compared to those aged over 55 (14 per cent).

These issues were also explored in interviews with employers, who were asked what challenges or barriers they think young people encounter when trying to access good work. In line with survey findings, employers identified a lack of experience, relevant skills and confidence as major barriers to young people accessing good work.

As discussed in Chapter 1, several employers believed that young people lacked these attributes. However, many employers highlighted recruitment practices as creating barriers for young people, including employers requiring significant experience for entry-level roles and having high skill and qualification requirements, and high skill and qualification requirements. Some felt that employers were not willing enough to invest in young people by providing training and development, or to offer tailored job roles to fit young peoples' level of skills or experience.

> *"The challenge is there are so many of them and so little opportunities – I know in general we look for people with experience. If I get 250 applications, I'll prioritise those with experience, it's preferable over having to train from the ground up. They need to make their application stand out. Because we have such a saturated environment, where we have so many applications for that one role."*
> Project manager, Healthcare, England

The difficulty of getting a good quality entry-level role due to a lack of experience was highlighted by many employers, who acknowledged that this created a catch-22 for young people who then struggle to get their foot in the door. It was suggested that certain hiring practices contribute to this issue, such as the use of recruitment agencies to hire workers (as they tend to hire based primarily on experience), and/or the growth in AI screening of applications that may miss promising young candidates.

> *"Companies don't want to take a gamble at times – when recruiting, I was looking at CVs and was happy to look at those without a job, but I don't think companies are willing to give young people a chance. When you look at a job advert you need experience for anything, even entry level role. You get quite downtrodden by the fact you need experience – you can't get experience if someone doesn't give you a chance."*
> Team Leader, Financial Services, Wales

This was seen by some employers as being exacerbated by strong competition among candidates, including older workers with more experience. Some employers discussed the prevalence of low-paid work at entry level, particularly for those under 25 to whom employers can choose to pay the national minimum wage, and some pointed to the growth in zero-hours contracts. These were seen as barriers to good quality employment that young people have to contend with in their early careers.

Other employers raised issues of unequal access to good quality work based on disadvantage. For example, some believed that organisations in high paid sectors prioritise those with a university degree, especially from Russell group universities, and often do not offer other routes into their industries. Other aspects of accessibility were also raised by a several employers including the lack of affordability of public transport, haircuts, interview outfits and even lunch which all act as a barrier to finding work.

03   RECRUITING
      YOUNG PEOPLE

3   Recruiting young people

Summary

Employers value young people's digital skills but struggle with their expectations of work given their relative lack of experience. When looking to recruit young people, employers in interviews often expressed they place prime importance on 'cultural fit'. This is described as young people having the right attitude. This was followed by digital skills, as young people are often perceived as 'tech-savvy' and 'digital natives', labels which risk stereo-typing young people and being reductive of their talent, potential, and diverse interests and aspirations for work. Young people's digital skills were also discussed often as a trade-off for a lack of qualifications or experience by employers in interviews – the latter of which was identified as the top challenge in recruitment by the employers in the survey (31 per cent) alongside a mismatch between employers' and young people's expectations of work (27 per cent).

Unsuitable applications, a perceived lack of interview skills and smaller pools of skilled candidates are common challenges employers report encountering when recruiting young people. Applications that do not meet job descriptions and poor interview skills and etiquette were key challenges raised by employers in interviews, with some employers feeling that young people are poorly prepared for successful job searching. Other challenges related to broader trends, including the pandemic and Brexit, which employers associated with shrinking pools of skilled candidates. Improving initial training and onboarding, providing more work experience schemes for young people in education, and improving planned progression strategies were the main approaches taken by employers to address their recruitment challenges. However, these approaches were more common among employers in medium and large organisations; whereas a notable minority of those in small organisations (33 per cent) were not taking any actions to address recruitment challenges.

The third topic we explored with employers is their experience when it comes to recruiting young people, including recruitment practices and challenges. We asked employers what they generally looked for in young people during recruitment, and the challenges they encountered when recruiting, as well as the ways they were addressing these. This section outlines the findings from the survey and interviews on these themes.

3.1   What employers look for in young people

In interviews employers explained that some experience of paid employment or technical skills was important in their recruitment decisions. However, many employers were sympathetic that they could not expect young people to have both the skills and the experience. Attitude emerged as a key element, sometimes even above experience and technical skills, that employers looked for when recruiting young people.

Importance of 'attitude'

There is clear consistency in the language employers use to describe the young people that they hire – notably they mention looking for potential employees with the 'right attitude'. Many discussed this by referring to attributes such as confidence, energy, passion for the role, loyalty, curiosity, a 'willingness to learn' and to be proactive. This was typically considered as being important since skills could be trained whereas attributes were an inherent part of an individual's personality and perceived as hard to change.

> *"Attitude – we hire purely on attitude, you can learn everything else."*
> HR/Office Manager, Engineering, England

In some cases, emphasis was placed on the need for emotional intelligence (for example, being able to assess client behaviour and ask the right questions), a sense of general inquisitiveness and a genuine interest/passion for the work or subject matter since these typically also could not be learnt.

> *"Your age does not determine how you represent the organisation, but they may be put in a position where emotions are running high and a 17-year-old might not be able to naturally understand how to react. So, we look for empathy, confidentiality and a sense of when clients do and don't want to speak."*
> Organisation Owner, Medical, Scotland
>
> *"Dedication and passion for what they do is almost as important as their skills"*
> HR Manager, Hospitality, England

Many also mentioned that they find that young people are more willing to question organisational norms and practices and that this is particularly valuable when looking to improve processes. The fresh perspective and 'energy' brought to the role by younger workers was broadly considered as being desirable from a recruitment perspective.

Qualifications versus experience

The nature of the role and its demands typically determined whether employees were looking for younger workers with a particular set of qualifications, or whether they were more interested in experience. There was little evidence of employers looking for both qualifications and experience, recognising that this is challenging to attain from workers who have recently left higher or further education. For those looking for qualifications, there was a recognition that the awarding institution was important, which ultimately excluded many younger workers from the recruitment process. Similarly, other IES research has found that employers often prefer candidates from the university they themselves attended, further reinforcing a bias with regard to graduate hiring decisions (Pollard, et al., 2015).

> *"If someone applied from Plymouth then we would absolutely consider them but there is an inherent bias because we have met a bunch of people at the 'Ivy League design schools' before they've even applied because we've been in their lecture halls and end of year shows."*
> Design Manager, Consultancy, England

Where employers said they prioritised experience in recruitment, they often considered any type of past employment as being valuable – even if this was unrelated to the job that they were hiring for. They used this as an indicator that the individual was trusted and could hold down a job, but also had transferable skills. This was considered to be especially important in customer-facing roles.

For some employers, the recruitment process for younger workers was based neither on qualifications, nor experience, but on a perception of 'suitability' or 'fit'. While this creates a perception of inclusiveness and accessibility since the applications are open to a larger pool of young workers, there is also a risk that it may give rise to discriminatory behaviours or biases that can shape the recruitment process (Knight, 2017). There was also some acknowledgement that within organisations without formal work experience placements, access to these types of opportunities is often based on nepotism as opposed to other transparent practices.

> *"I spent two years working for a premier league football club, they used to have 4,000 staff on match day, 3,000 were young people from the local area and they were very difficult to work with… If you asked me, were there great people in there? It was probably one in 10. It was probably down to their background, what were their parents like, their schooling, their teachers. But they were difficult ones."*
> Hospitality Manager, HE, England

> *"I try and not take **kids** under 17 now, it's a lot of work and there's the whole safety aspect of it. The only time we do it, it's a bit of nepotism – if we have client who calls and says my little Johnny needs to do this and the director finds a spot for them."*
> HR Manager, Architecture and Planning, England

Digital skills

Among those employers that were interviewed in organisations with a technological focus (or who were recruiting for roles looking for a level of digital literacy), often younger workers were seen as the preferred candidates. However, this labelling of young workers as 'digital natives' can be unhelpful, since it means that older workers are more likely to be impacted by discriminatory recruitment practices, and it may hinder technical skills training and development being offered to younger workers. Moreover, some employers suggested that despite young people's digital skills being very valuable, these were part of their 'natural' skillset (as 'digital natives') which devalued these skills in the wage-setting process. Ultimately this kind of labelling risks diminishing young people's capabilities and reinforcing inequalities between younger and older workers.

> *"Crazy we have people earning £50p/h that can't work pdf or excel, then bring on kids who are paid less but can do much better. Their online skills around social media, managing data, filling in things online – young people trump older workers. Really underutilised skill – young people are naturals, only when you get in the office with someone who's 60 and can't do anything do you realise."*
> HR/Office Manager, Engineering, England

These age-related biases around digital skills also led some employers to suggest that younger workers were able to adapt to working remotely online and considered this highly valuable in their current recruitment practices. Equally, many employers were keen to capitalise on young people's social media skills and abilities as 'digital natives', especially regarding to the innovation and creativity they could bring to these roles.

> *"There's stuff about social media I had no idea about, we learned so much from the young people. What we were doing before we had some young people come on board was so basic, they taught us so much."*
> HR/Office Manager, Engineering, England

> *"We identify their strengths. Like for social media, they are much better than us – TikTok, Facebook, they manage the pages, they come up with great ideas for events."*
> Project manager, Retail, Scotland

3.2   Employers' recruitment challenges

In the survey, we asked employers what challenges they encountered when looking to recruit young people. Employers' answers are shown in Figure 8 below.

Figure 8: Challenges in the recruitment of young people (multi-coded responses)

Three in ten employers (31%) say young people's lack of work experience is a key struggle they face when recruiting

Challenge	%
Young people generally lacking work experience	31%
Balancing employer's and young people's expectations	27%
Young people generally lacking technical skills	26%
The time and money to train and upskill young people	25%
Attracting young people to the role or sector	24%
Attracting young people to other terms and conditions (e.g. hours of work, job security, flexibility, etc.)	20%
Competition from other employers	14%
Attracting young people to the pay	13%
Tailoring the recruitment process to young people (e.g. job description, requirements, application process, etc.)	13%
Navigating government-funded support and schemes	13%
Remote location and/or transport	11%
Not applicable - my organisation doesn't face any challenges when recruiting young people	9%
Not applicable - my organisation tends not to hire young people	8%
Don't know	4%
Other	

n = 1,011   *% respondents*

Source: IES survey of employers, 2022

Around three in ten employers (31 per cent) said lack of work experience posed the main recruitment challenge for them. This was followed by over a quarter saying balancing employers' and young people's expectations (27 per cent) and young people generally lacking technical skills (26 per cent) was challenging. A quarter of employers said the time and money to train young people was an issue (25 per cent) as well as attracting young people to the role or sector (24 per cent). Just over one in ten employers said attracting young people to the pay posed was a challenge (13 per cent), despite pay being rated the lowest in the previous question on employers' offer of good quality work (see Chapter 2.2).

When looking at survey respondent characteristics, the following findings emerged (see separate Appendix for tables with full findings):

- **Industry**. Employers in manufacturing and education were more likely to have challenges around young people lacking technical skills (42 per cent and 38 per cent respectively), those in manufacturing and construction struggled more to attract young people to the role or sector (35 per cent respectively), those in legal and in media and marketing services struggled more with balancing young people and employers' expectations (49 and 38 per cent). Employers in hospitality and leisure were more likely to encounter challenges in attracting young people to the pay (24 per cent) and around competition from other employers (24 per cent).

- **Location.** The time and money to train and upskill young people posed more of a challenge to employers in London (30 per cent) and in Wales (33 per cent) compared to other regions in the country. Attracting young people to the sector was harder for employers in the East (30 per cent) and South (30 per cent), and in Scotland (27 per cent). Employers in London struggled more with tailoring the recruitment process to young people (23 per cent).

- **Age.** A higher rate of respondents aged under 35 felt there were challenges around attracting young people to terms and conditions (30 per cent) and competition from other employers (25 per cent) compared to those aged over 55 (15 per cent and 12 per cent respectively). Instead, those aged over 55 felt young people lacking skills to be more of a challenge (33 per cent) compared to those aged under 35 (19 per cent).

In interviews, employers further expanded on some of the challenges they encountered in recruitment and how they addressed these. Key challenges raised by employers included a lack of interview skills and challenges posed by the tight labour market. To address these challenges, the employers interviewed recognised that they were partly responsible for engaging with local education providers to offer more opportunities for young people in disadvantages groups, but also to help with employability and skills training more broadly.

Interview skills and etiquette

While some employers reported high levels of performance within interviews, most employers felt that young people did not interview as well as other applicants and often lacked a good level of communication. For example, an employer felt that the 'Gen Z' applicants she interviewed did not present themselves in a favourable light (demonstrating poor posture, vocabulary and eye contract) and had difficulty framing interview answers. Others felt as though younger applicants lacked presentation skills which often let them down at the interview stage. Some also reported that younger applicants were less likely to turn up to interviews and often failed to give notice if they had received an offer elsewhere.

While employers recognised these challenges, they had less awareness of what barriers young people might be facing which affected their interview performance. Those employers who reflected on the drivers for poor interview skills, often associated these to a lack of preparation for job searching and the world of work received in education (see Chapter 5) although few linked these challenges to disadvantage and unequal access to opportunities.

> *"We had 12 interviews lined up for an apprenticeship – and only three people turned up. There's an ethic element, a generational divide, it's hard. We ring and text, again and again and they don't get back to us."*
> HR/Office Manager, Engineering, England

> *"Recently we've had a large number of no shows from younger applicants for interviews, which is really disappointing."*
> Organisation Development Manager, Charity, England

Brexit/pandemic

A further challenge reported by employers, especially those who were looking to hire large numbers of lower skilled workers on low-levels of pay (such as in retail, hospitality, and social care) was that Brexit and the pandemic had made recruitment much more challenging. Similarly, those who were trying to recruit to a niche skill set (without offering sponsorship to migrant workers) were experiencing similar problems with finding people to fill roles. Consequently, some of the employers that were interviewed mentioned expanding their criteria to those without relevant experience and placing greater emphasis on attitude and interpersonal skills as mentioned previously.

> *"A lot of people, also as result of Brexit, have left and we get less applicants. Challenge is there hasn't been as many people to choose from… Finding people who are suitable is a challenge – but even before that it's 'do they even want to do it?'."*
> Managing Director, Manufacturing, England

> *"We have gone from having a hundred applications in a few hours during the pandemic, but now they will only get 10 over a few days… it's more a labour market than a job market."*
> HR Manager, Warehousing, England

Unsuitable applicants

In contrast, some employers explained that they received too many applications which made the screening process time consuming and laborious. However, they often encountered challenges finding workers who matched the job description, either because they felt younger workers were more inclined to apply to large numbers of roles, even if they were not suitable, or because there was a misunderstanding of the skills/capabilities

required. There was also a feeling among employers that younger workers did not pay enough attention to the job description or at times exaggerate their experience or skills listed on their CVs.

> *"We are now struggling to get people with right qualifications in because there are less people to choose form. We used to get 60-70 applications now down to 30 and not all are suitable. The issue is lot of younger people apply to roles but don't match description. Not understand process and just upload a CV rather than responding to each point on the spec. Young people don't always carefully read the application."*
> HR Officer, HE, England

> *"The challenge is because some youngsters try hard to please and their profiles are fudged – they exaggerate things. When we do some basic background check we realise what they said is not what shows in their profile – even though we have the conversations and they might come across really well, the background check does not stack up."*
> Senior IT Manager, Tech, London

Other reported challenges

Other challenges reported during the interviews included a widespread perception that younger workers required a comparatively higher level of investment to train and upskill when compared to older workers but were more likely to leave their job sooner.

> *"You have to invest more in younger people than experienced employee and challenge is not always get benefit back because they move somewhere else."*
> Head of Customer Service, Charity, England

Additionally, some employers reported a difficulty matching the young people's expectations of pay and progression when they started the role, or more broadly that the young people's expectations of work did not match reality.

> *"They're asking for a lot of money even when they graduated a year or two ago, they want top dollar – they're really pushing on salary which is hard to justify to higher managers."*
> Senior Recruiting Partner, Information and Communication, England

> *"What we generally find is they say they want full time, but when reality hits then they want part time."*
> Project manager, Retail, Scotland

3.3   Employers' recruitment solutions

Following questions expectations and challenges during the recruitment of young people, we also explored how employers were responding to the challenges they encountered. From the survey it emerged that employers who said they encountered challenges, responded in a range of ways and there was no single approach which was common to the majority. However, when looking at the size of employers' organisations, there are notable differences between employers in small organisations compared to those in medium and large organisations, as shown in Figure 9 below.

Figure 9: Responses to recruitment challenges by organisation size (multi-coded responses)

Employers in small organisations are more likely to not be doing anything to address recruitment challenges (33%) compared to those in medium (15%) and large organisations (7%)
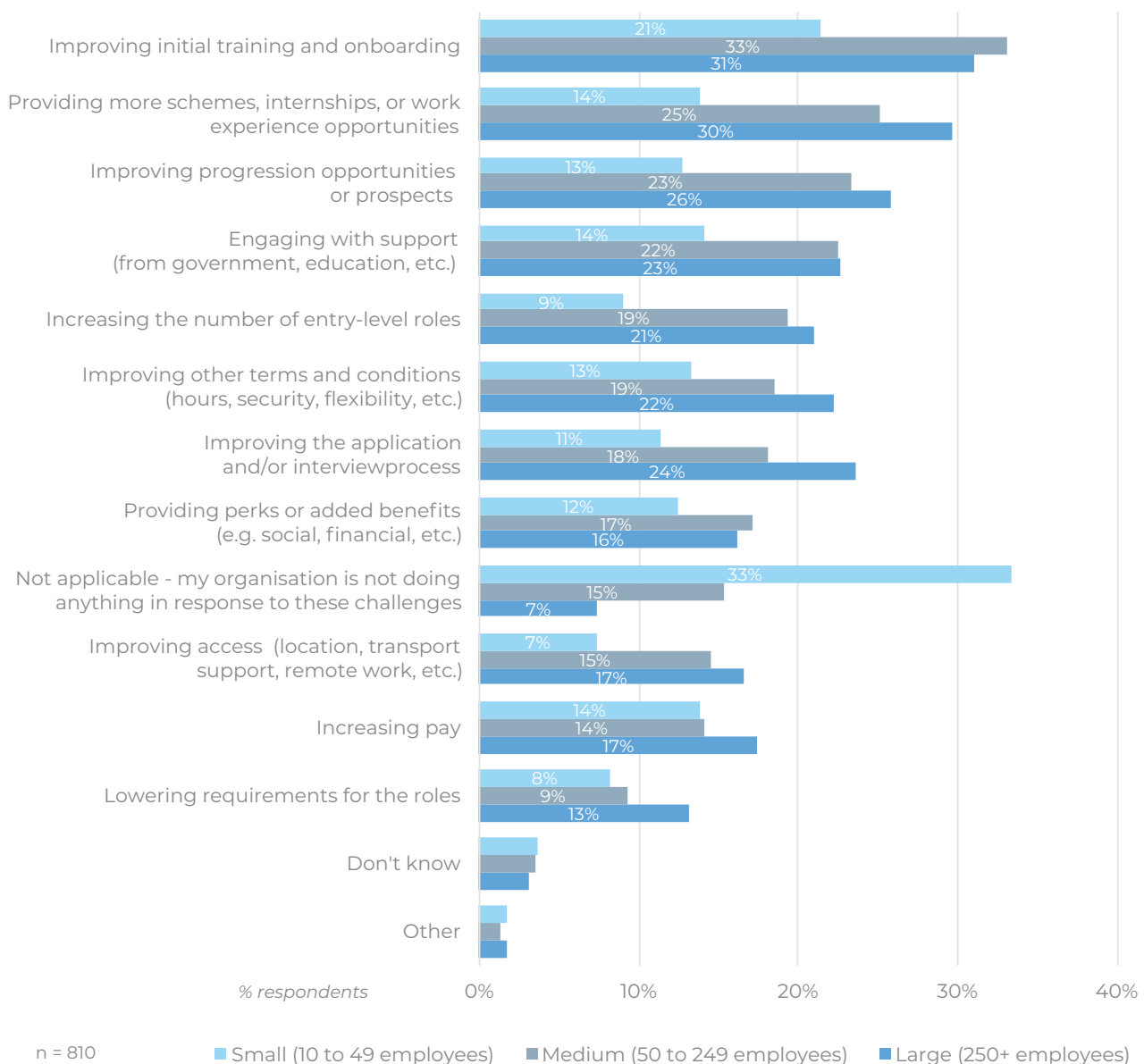
Source: IES survey of employers, 2022

These findings show that employers in small organisations were over twice as likely to not be doing anything to address recruitment challenges (33 per cent) compared to those in medium organisations (15 per cent), and almost five times as likely compared to those in large organisations (7 per cent). The trend in responses is likely tied to issues of resourcing and capacity that small organisations traditionally face.

In the interviews, the theme of how employers responded to recruitment challenges was explored further. Most of the recruitment solutions outlined by employers during interviews were government or policy directed (see Chapter 6), yet there were a small number of employer-led suggestions mentioned that could be integrated into hiring practices in the shorter term. For example, many employers paid attention to the need of bringing in younger people to address challenges posed by their ageing workforce and by organisational cultures that favoured workers with more experience and were actively trying to address this.

> *"We have panel and we keep it diverse. I am a lot for recruiting young talents – but other colleagues quite adamant that they want people with a lot of experience, and it's about changing the mindset around those old school views."*
> Project manager, Healthcare, England
>
> *"Internally we have to do unconscious bias training, we anonymise applications, to create more fair process."*
> Operations Manager, Information and communication, England

Several employers suggested that they offered paid trial shifts to new potential hires. They felt that these were useful since they gave individuals, especially those with little experience within that industry, a good sense of what the job would be like and whether it met their expectations which helped with retention in the longer term. It also acted as an extended job screening period for the employer. This was typically seen as a more effective way of recruiting young people over multiple rounds of interviews.

Other employers expressed an interest in working more closely with local education providers to help with recruitment. Some recognised that they were in a position where they were able to offer opportunities for young people from under-represented backgrounds and felt they could do more work in this area to help improve the diversity among those who are applying and are hired.

> *"I would love to work more closely with universities and schools – how we can increase social mobility and diversity as well and people from under-represented backgrounds can see themselves working in our organisations. I would like to see more mentorship schemes – have mentees come together and share experiences."*
> Operations Manager, Information and Communication, England

Finally, as mentioned in previous sections (see Chapter 2.1), employers found that offering hybrid-remote working options made the roles more appealing to younger workers. However, in roles where this was not possible employers were also looking to other forms of flexibility and approaches to scheduling that made the work more appealing and accessible to this

group (such as offering longer/shorter shifts and avoiding unsocial hours to help with transport issues).

> *"Many people would choose to stay for long hours and then work for four days…"*
> HR Manager, Hospitality, London

04 MANAGING AND RETAINING YOUNG PEOPLE

4 Managing and retaining young people

Summary

Employers have a positive experience of managing young people but find meeting their support needs challenging. Employers in the interviews described the young people they managed as keen to work hard and to develop, but also as lacking in professional judgement, needing more intensive support, and in some cases more demanding than older workers around managing interpersonal and emotional issues. Employers identified regular meetings supplemented by regular communication and finding opportunities for young people to take responsibility as the most effective management practices to support young employees' wellbeing and development.

Employers view young people as prone to 'job hopping' but recognise the role good working conditions play in retention. Employers in interviews who reported struggling with retention either felt it was to be expected in their industry (eg retail and hospitality), due to the nature of the sector, or that it resulted from a culture of 'job hopping' among young people. While employers tended to focus on propensity to 'job hop' among young people due to wanting to explore different jobs and grow their experience, many suggested that progression and development, financial incentives, good management, and flexibility were key factors that influence retention. This suggests that employers recognise that young people's propensity to change jobs is directly influenced by their working conditions and employers' ability to offer good work.

The fourth topic we explored with employers is their experience of managing and retaining young people in their organisations. This section outlines the findings from interviews on these themes.

4.1 Experiences of managing young people

4.1.1 Reflection on experience

When discussing experiences of managing young people there were two key themes that emerged from the employer interviews. Firstly, that young people tended to be keen to learn and work hard and secondly, that they lack professional experience and understanding, requiring more support than older workers. Employers also raised managing high expectations, social lives impacting work, and young people's mental health needs as presenting challenges when managing young people.

Eagerness to work and to learn

Across the interviews, employers described young people as keen to learn, work hard and take on new tasks and responsibilities. Young people were described as bringing energy and enthusiasm to their roles, an excitement about the world of work and as being highly motivated to progress, develop and make meaningful contributions. Many described them as being hard workers. In one case this was linked to young people being early in their career and therefore not having burnt-out yet, which seems to suggest that over the long-term employment may have negative effects on health, and this raises concerning implications around the quality of work being offered by employers.

"The whole idea about bringing young people in is that they are much more eager than some of the older workers because they haven't burnt-out yet and they are willing to do stuff outside of their job description, so they are more willing to learn new skills…"
Head of HR and Operations, Tech, England

"Very challenging but quite rewarding – if I bring someone in who is 16-17. You get young people out there who are really committed."
Senior Recruitment Consultant, Construction, Scotland

Needing support to become productive

On the other hand, many employers expressed that due to being early in their careers young people lacked professional experience and thus needed support from managers to acquire this. Some employers noted that young people can lack professional behaviours such as teamwork, communication, time management and adhering to a smart dress code. This echoes their comments on the challenges they face in recruitment. To a lesser extent, some employers reported experiencing unprofessional behaviours from the young people they manage (such as them not turning up for shifts without giving notice, having short attention spans, or not having the skills to fulfil their roles) which was problematic.

"They require a lot of support where they've not previously worked in a corporate environment – even writing a professional email, you have to teach them about the etiquette of emails. Exposing them to hierarchy, knowing your place is important."
Project Manager, Healthcare, England

Some employers, mainly in retail and manufacturing industries described young people as being no different from more experienced workers in their capabilities and workplace behaviours. What was not clear from the discussions was whether these employers had spent more time than others briefing young people about their expectations for behaviour in the workplace.

Some employers noted that while young people, particularly graduates, brought knowledge and skills to the role they still required additional support from managers around these workplace behaviours. Employers' responses, in these cases, seemed to show an understanding that these are challenges to be expected, and a willingness to support young people to navigate them.

"There's some things about coming into work in a professional working environment… whether its remote or in an office… that might be quite overwhelming to some people, even if that is an apprentice with no trained skill or a design graduate with lots of skill."
Management Consultant, Financial Services, Scotland

"[Graduates are] brilliant, fabulous people with huge amounts of skill but they didn't turn up to meetings…they had never used a corporate communication tool."
Design Manager, Consultancy, England

Managing expectations

Similarly to what they raised when talking about recruitment, employers talked about managing young people's expectations also when talking about their management practices. This included high expectations around support, flexibility, and work-life balance. In particular they discussed challenges in managing young employee's expectations of how quickly they could progress, the level of autonomy they would have in their roles, as well as diversity in their tasks. This is linked to themes about young people being eager to develop and wanting to get the highest value from their job, particularly in higher-skilled sector. Some employers also linked this to what they perceived as a lack of awareness among young people that in order to advance they had to accept some less exciting or interesting parts of their jobs, in order to mature the understanding and development that would allow them to advance.

> *"But young people itch to get ahead, without sometimes understanding the day to day – you've got to understand the basics, build solid foundations to build credibility for whatever else you want to do. People who go way ahead and look for more challenge. Attrition higher if not apprentice – because they want to be promoted and want more money."*
> Management Consultant, Financial Services, Scotland

Health and wellbeing

When asked whether they experienced any challenges relating to health and wellbeing among younger workers, several employers suggested that the younger people they managed were more likely to talk about their mental health and work-life balance compared to older workers. While a few presented this as showing a lack of resilience among young workers, most employers linked this to young people being more open to talking about mental health as well as struggling more with mental health. Some employers cited having Employment Assistance Programmes or mental health first aiders as a means of addressing health issues where they arose. However, employers without these tools in place encountered challenges navigating mental health and wellbeing, as they had few tools to support them, and were unsure how to manage what they felt to be a new trend which is specific to younger generations.

> *"As an employer it's a bit difficult [dealing with mental health issues] – it makes things more difficult for us - how do we cater for this? I'm not a day care. But everything they bring up is very valid, the world of work needs to shift to them. They make a lot of sense but at the same time there's a lot of dealing with emotions. It's difficult – we're relatively lean on resources and we're on growth mode so do not have as many resources."*
> Senior Recruiting Partner, Information and Communication, England

> *"Gen Z are very demanding and emotional – lots of talk about their mental health, they ask lot of questions – work-life balance, diversity and inclusion. They are more open in asking for what they want and speaking their minds."*
> Senior Recruiting Partner, Information and communication, England

4.1.2   Good practice when managing young people

Employers also discussed good practice when managing young people. The key practices they discussed included providing resources to meet young people's additional support needs, holding regular meetings with young people supplemented by regular communication and finding opportunities for young people to take responsibility at work (for example, giving them management opportunities).

Providing additional support

While employers said that young people's lack of experience professional experience created a number of challenges for their management, nothing suggested that these were unsurmountable issues for the employers. Rather, employers had to invest management resources in their young people in order to tackle issues around a lack of experience and bring them up to speed with older workers who have benefitted from similar investment in their early careers.

Employers discussed providing additional management resources to help young people to gain professional skills. Some described young people providing 'handholding' to support young people who lacked confidence or knowledge to work entirely independently during the early stages of their career. This included providing more structure and guidance in terms of tasks than more experienced workers to help develop confidence in their abilities. Others discussed providing basic information and support around the young person's role and expected professional behaviours, including through inductions and training. Similarly, some discussed the importance of placing young people's work in context to help them understand why their role was important within the wider team.

> *"You need to do more handholding with younger people.*
> *They lack the confidence to do some things like even ring people."*
> HR Officer, Education, England
>
> *"When people come in, they're not really prepared for the world of work. Most of them have university degrees. But that doesn't prepare you to come in the workplace. There's lot of handholding."*
> Senior Recruiting Partner, Information and communication, England

Employers discussed providing this support primarily through providing mentoring and coaching on an individual level. Some felt that young people needed different kinds of support including more recognition from managers, support to access development opportunities, more time for informal chats, and a softer approach to line management. However, a few also expressed the importance of avoiding micro-management and instead taking an employee led approach.

Structured meetings and regular communication

The key elements of good practice in managing young people identified by employers were regular structured line management meetings with regular communication between sessions. This approach was described as helping to make the most out of young people's eagerness to work and learn, while also providing support as they became used to a

professional work environment. One-to-one meetings allowed managers to check in with young people and identify progress, challenges and development opportunities. Managers also discussed the importance of encouraging questions between sessions, particularly when working remotely.

> *"Biggest enabler is line managers having regular one to ones with the individuals – help individuals avert going down a spiral."*
> Head of Organisational Resilience, Healthcare, England

Encouraging young people to take responsibility

To a lesser extent, some managers discussed the importance of delegating tasks to young people to build their confidence and enable autonomy at work. The included identifying their strengths and finding opportunities to put them into practice either as part of a team or by leading on small projects. An employer in management consultancy described finding opportunities for 'reverse mentoring' where young people were given opportunities to teach more senior colleagues in their areas of expertise. A number of employers highlighted IT and social media as key areas where young people could bring expertise to the workplace and be given control and leadership roles. Several employers discussed the effectiveness of finding opportunities for young people to take responsibility over tasks to build their confidence and ability to work independently.

> *"Something that worked well – giving them creativity and freedom around using tools, using social media, for marketing. Leading on projects in their areas of interest – these are things we have no knowledge on, they can lead on it and can come back and teach us. I'm learning while you're learning great two-way street."*
> Operations Manager, Information and communication, England

Effectiveness of younger managers

Across several of the interviews, employers shared examples in which younger workers had been given managerial responsibilities. In their view, these individuals were especially effective at managing other younger workers because they shared a mutual understanding of the challenges that their colleges were facing (eg entering the workplace for the first time and wider cost-of-living pressures) and could communicate more easily (breaking down some of the formalities that exist between workers from different generations). Most importantly, these factors helped build trust between employees and their managers.

> *"There's not that much to get out of bed for at the moment for a lot of young people, a lot of prospects are quite bleak with the environment, the financial crisis and austerity, and there's been a little bit of exposure of terrible working practices, but it still goes on. But we are being told that we're lazy and been told that we can't be bothered. And I just think that's such an inaccurate representation of what we're like."*
> 24-year-old Deputy Restaurant Manager, Hospitality, Wales

4.2   Retention

Interviews also explored employers' experiences of retaining young people and factors that influence retention. While most employers described good retention of young people others faced high turnover. While this was expected in industries like hospitality in other sectors this was identified as part of a culture of 'job hopping' among young people. Employers identified progression and development, financial incentives, job satisfaction good management and flexible working as key factors that influence retention.

4.2.1   Reflections on experience

Many employers said that the young people they hire tend to stay in their organisation for a number of years and progress where able. This was supported by employers working to retain young people, as explored in Section 4.2.2.

> *"Retention rates are good – we work very hard with them; we don't leave the man behind. As a big organisation we are competitive – we take the cream of the crop. If you get good people in and can't make them work, there's something wrong with you as an organisation and you want to fix that."*
> Finance Manager, Healthcare, Scotland

A minority described having a relatively high turnover of young people. In some cases, such as hospitality and manufacturing, a higher level of turnover was expected, with employers hiring young people expecting them to leave within a few years, often due to poor work conditions and few progression prospects.

> *"it's really hard to retain the good people as there are a lot of jobs out there that are giving them more sociable hours, better renumeration. It is not easy."*
> Manager, Hospitality, England

Some employers in other industries who had low retention rates believed that a culture of job hopping had become more normalised as young people are at the start of their career and want to explore different options and progress quickly. In one example, an employer attributed this behaviour to the prevalence of insecure work offered to young people.

> *"The thing that's changed in the last 15 years is that no one is expecting a job for life."*
> Management Consultant, Financial Services, Scotland

4.2.2   Factors that influence retention

Progression and development

Providing opportunities for career progression and development for young people was the most common means of supporting retention identified by employers. Employers felt that providing clear and rapid progression within an organisation motivates young people to stay in post as it provides a financial incentive, rewards loyalty and keeps their working lives interesting. Specific practices include having clear internal career pathways and support

to move up, encouraging young people to apply for internal opportunities and regularly discussing career goals and how to reach them.

> *"Offering development to younger people is important. If they don't find that that development is there within a reasonable timeframe they will usually leave."*
> Senior HR Advisor, Tech, England
>
> *"They definitely tend to stay longer once they start moving up."*
> HR, Charity, England

On the other hand, employers who were unable to offer progression opportunities identified this as a key reason for young people leaving. This was particularly identified as a challenge by employers in small organisations as they are less able to guarantee progression opportunities or provide formal career pathways for young workers

> *"We are not a huge company like Amazon with loads of room to progress."*
> HR Advisor, Transportation and Distribution, England

Several employers who were not able to offer formal progression opportunities discussed ways of overcoming this to support retention. This included offering financial incentives and alternative development opportunities such as additional paid responsibilities, secondments, and lateral internal career moves. These practices enabled young people to develop and experience variety within an organisation, incentivising them to stay.

Financial incentives

To a lesser extent, some employers said that pay was the key means of retaining young people. This included offering a competitive starting salary, guaranteed salary increases and bonuses. Employers felt that young people were financially motivated and would be less inclined to leave an organisation for another job elsewhere if they were able to increase their pay internally. Some employers who offered low pay, including in hospitality and retail, raised this is a key reason for young people leaving.

> *"[Salary increases is] what retains them, just knowing that maybe they are making 30k this year, next year they could be making 33, 34 with a bonus on top of that."*
> HR Administration Manager, Tech, England

Furthermore, some raised the importance of providing economic stability through permanent contracts for young people in order to support retention, while other employers said that offering short, fixed term contracts led young people to look for more secure work elsewhere.

> *"If you're going to show a real investment in them offer them a permanent contract from day one so they will feel some loyalty and not look elsewhere."*
> Senior HR Advisor, Tech, England

Job satisfaction

A number of employers felt that job satisfaction was a key means of retaining young people. These felt that young people were more likely to stay if their job met their expectations, provided fulfilment, and opportunities for creativity. Several said that a lack of job satisfaction was the main reason for young people leaving their organisations. This included young people becoming bored in their roles, having mismatched expectations of the role, and experiencing stress at work. Several employers mentioned that offering work which was to some extent 'low quality' in terms of pay, flexibility and working hours caused young people to look for work elsewhere.

A few employers noted that due to their relative inexperience, young people will enter a job role in order to try it out and figure out their career goals, which meant that they are often more likely to leave quickly if it is not a good fit. The current tight labour market was seen as enabling them to do so.

> *"It is not like the old days where people stayed in a company for years… if they're not happy they leave."*   Senior HR Advisor, Tech, England

Several employers discussed means of improving young people's job satisfaction to improve rates of retention. Where young people were not happy in the role some employers tried to find them opportunities to pursue their interests and provide a greater variety of tasks. In some cases, this was supported by line mangers having discussions with young people about their interests and career goals and taking action where these were not being met.

Good management practices

A few employers identified good management as a major factor in young peoples' decisions to stay within an organisation, with a few employers describing how young people with less supportive managers were more likely to leave than those who had a positive relationship with a supportive line manager. Other employers discussed the role of individual line managers in supporting retention, giving examples of implementing 'stay in checks' with young employees where they discussed their career plans to address any barriers towards them staying with the organisation.

> *"To retain people, I have tried to help them progress and build opportunities – otherwise they go somewhere else. Good management is key otherwise people leave. One of the issues I see now – when you put them straight in a team that's really stressed, they're out of the door in five seconds. There's so much choice that you need to do more work to make positions more attractive."*
> HR Officer, Education, England

Flexibility

Finally, some employers said that providing flexible hours to work around young people's commitments such as caring or study overcomes potential practical barriers to young people remaining in their organisations.

"Flexibility is offered to everyone; you can choose your working pattern without offering any reason - this helps develop trust and allows people to take time when they need it. We try not to go into why people need it, it's there, we need to be respectful and that's fine."
Membership Manager, Business Administration, England

05 ENGAGING WITH EDUCATION AND EMPLOYMENT SERVICES

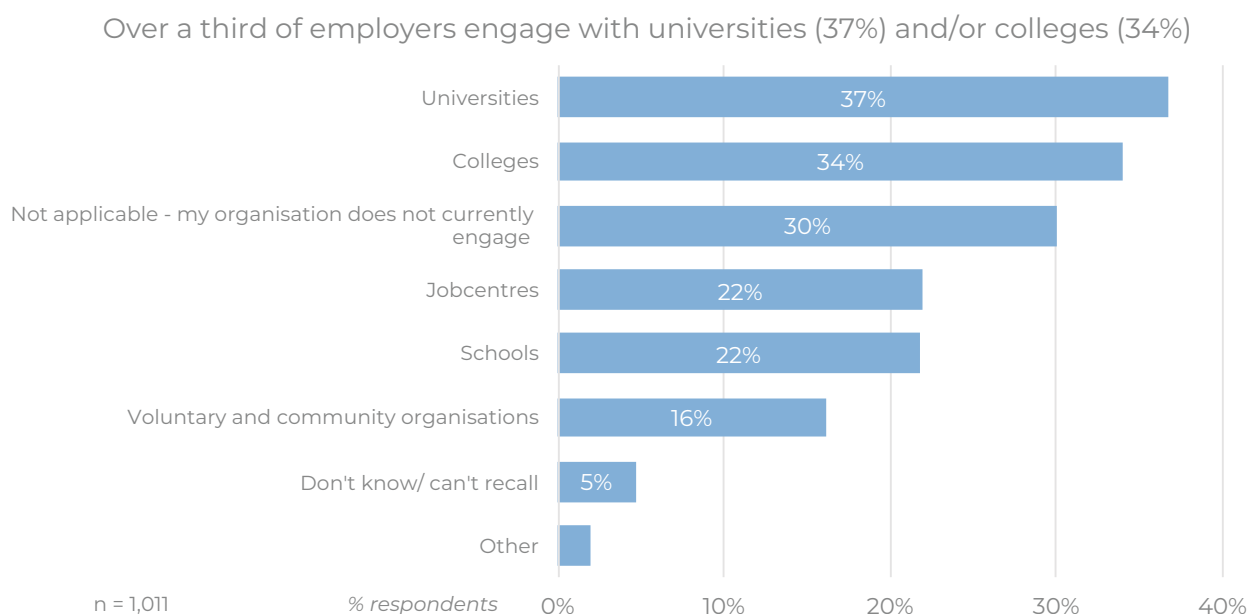# 5 Engaging with education and employment services

Summary

Employers engage with universities and colleges more often than with schools and employment services but feel that careers services do a poor job of preparing young people for work. Employers are most likely to engage with universities (37 per cent) and colleges (34 per cent), but almost as many do not have any engagement (30 per cent). The most common type of engagement with education providers is around arranging, recruiting to and providing apprenticeships and traineeships (51 per cent), and paid internships and work experience (44 per cent). Challenges employers commonly encounter in engagement are time and resources. However, in interviews employers rarely mentioned these challenges, and instead focussed on shortcomings in careers guidance within educational settings when it came to preparing young people for the world of work.

The fifth topic we explored with employers is their experience outreach activity, specifically engagement with education and employment services. We asked employers which education and employment services they engaged with, what type of engagement they had, and what challenges they encountered in engagement.

5.1 Employer's engagement with education and employment services

In the survey, we asked employers whether they had experience engaging with education and employment support providers. The answers employers gave are shown in Figure 10 below.

Figure 10: **Engagement with education and employment support providers (multi-coded responses)**

Over a third of employers engage with universities (37%) and/or colleges (34%)

Universities	37%
Colleges	34%
Not applicable - my organisation does not currently engage	30%
Jobcentres	22%
Schools	22%
Voluntary and community organisations	16%
Don't know/ can't recall	5%
Other	

n = 1,011   *% respondents*

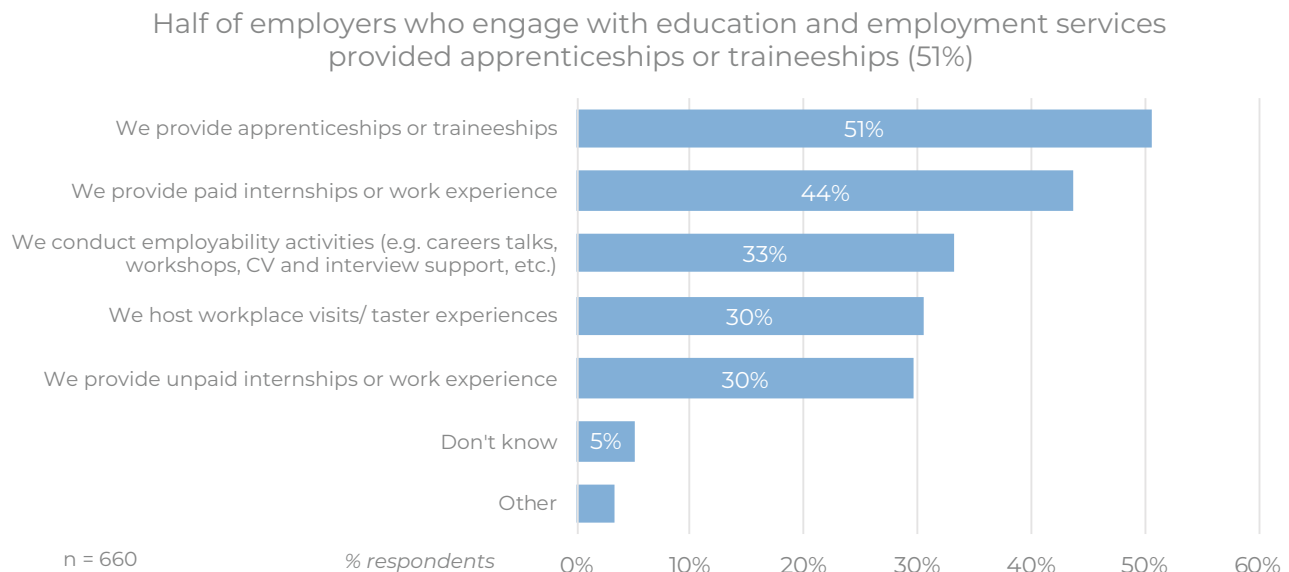*Source: IES survey of employers, 2022*

Over a third of employers engaged with universities (37 per cent) and over a third engaged with colleges (34 per cent). Around a fifth engaged with Jobcentres and an equal rate engaged with schools (22 per cent respectively). Three in ten employers were not engaging with education or employment support providers (30 per cent). It should be noted that employers in small businesses were more likely to not be engaging (43 per cent) compared to those in medium (24 per cent) and large businesses (14 per cent).

When looking at respondent characteristics, the following findings emerged (see separate Appendix for tables with full findings):

- **Size**. Employers in small organisations were more likely to not be involved in any engagement (43 per cent) compared to those in medium (24 per cent) and large (14 per cent) organisations. Employers in large organisations were more likely to engage with colleges and schools (47 per cent and 32 per cent), than those in medium (37 per cent and 23 per cent), and small (25 per cent and 15 per cent) organisations.

- **Industry.** There were differences across industries, with divides between traditionally high-skilled and low-skilled sectors. For example, 52 per cent of those in IT engaged with universities compared to 15 per cent of those in transport and distribution. Those in the construction and manufacturing sectors were most likely to engage with colleges (48 per cent and 46 per cent), and those in retail and medical and health centres were instead most likely to engage with Jobcentres (38 per cent and 33 per cent). Hospitality and transport had the highest rate of those not doing any engagement (44 per cent each).

- **Location.** There were also regional variations across answers. Employers in the East and in the South of England showed the lowest rates of those engaging with universities (23 per cent and 26 per cent), London the highest (47 per cent). Employers in the East and South were also more likely to not be doing any engagement (39 and 38 per cent). Scotland had the highest rate of employers engaging with colleges (45 per cent), Wales of those engaging with Jobcentres (42 per cent).

- **Age.** Respondents' age also appears to influence engagement with education and employment support services. Employers over 45 were over twice as likely to not do any engagement (38 per cent) compared to those under 45 (18 per cent).

We also asked employers what type of engagement they had with education and employment support providers. Employers' answers are shown in Figure 11 on the next page.

Figure 11:   Type of engagement with education and employment support providers

Half of employers who engage with education and employment services provided apprenticeships or traineeships (51%)

We provide apprenticeships or traineeships	51%
We provide paid internships or work experience	44%
We conduct employability activities (e.g. careers talks, workshops, CV and interview support, etc.)	33%
We host workplace visits/ taster experiences	30%
We provide unpaid internships or work experience	30%
Don't know	5%
Other	

n = 660   *% respondents*

Source: IES survey of employers, 2022

The majority of employers who engaged, provided either an apprenticeship or traineeship (51 per cent), followed by a paid internship or work experience (44 per cent). A third of employers conducted employability activities (33 per cent), three in ten hosted workplace visits (30 per cent) and an equal number provided unpaid work experience (30 per cent).
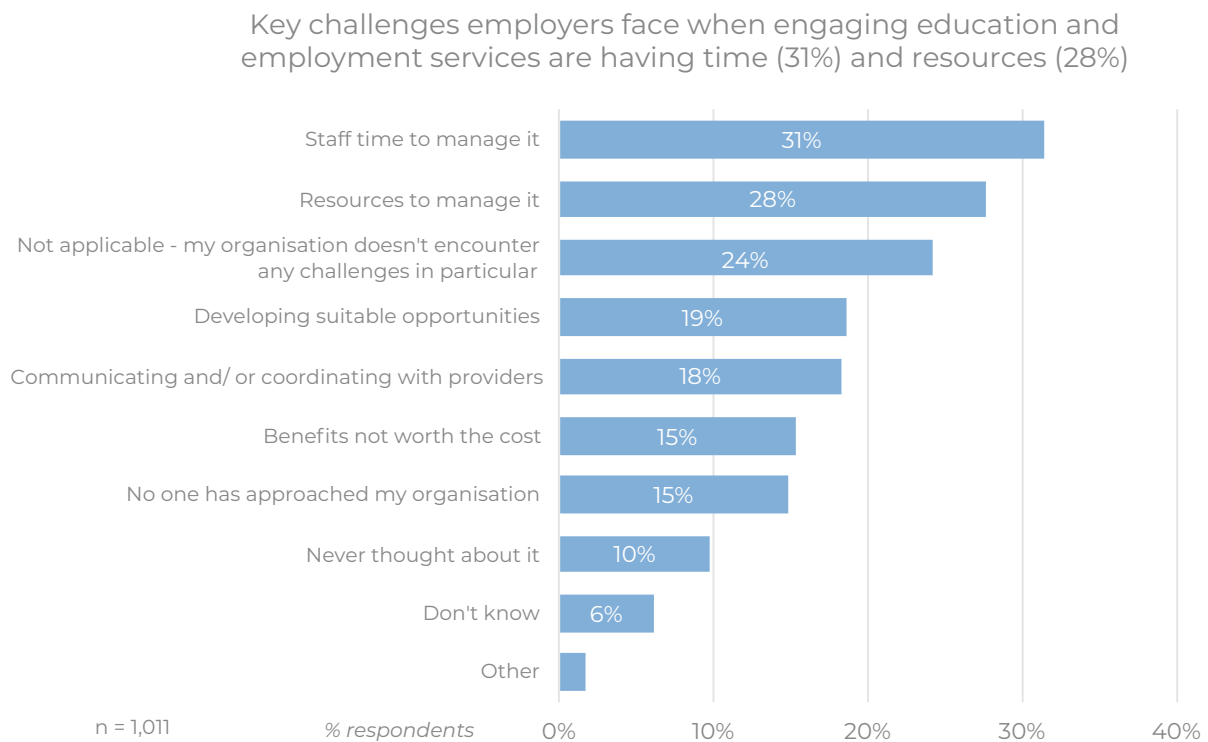
When looking at respondent characteristics, the following findings emerged (see separate Appendix for tables with full findings):

- **Size**. Employers in small organisations were less likely to engage with education and employment support providers across the spectrum, but in particular they were less likely to provide apprenticeships or traineeships (42 per cent) compared to those in medium (54 per cent) and large organisations (58 per cent). They were also much less likely to conduct employability activities (16 per cent) compared to medium (33 per cent) and large organisations (53 per cent).

- **Industry.** Employers in media and marketing and in medical and health services were less likely to provide apprenticeships and traineeships (31 per cent respectively) compared to employers in all other sectors. Those in transportation were the least likely to provide paid internships (14 per cent) and host workplace visits (5 per cent). Employers in IT had the highest rate of those conducting employability activities (41 per cent).

- **Location.** Across regions, employers displayed similar trends in the type of engagement they conducted with education and employment support providers. However, employers in London were more likely to provide paid internships and work experience (55 per cent), employability activities (43 per cent), and host workplace visits (36 per cent) compared to those in all other regions but were less likely to provide apprenticeships and traineeships (44 per cent).

5.2   Challenges employers encounter in engagement

We asked employers what challenges they encountered when engaging or wanting to engage with education and employment support services. Employers' answers from the survey are shown in Figure 12 below.

Figure 12:   Challenges in engagement with education and employment support providers

Key challenges employers face when engaging education and employment services are having time (31%) and resources (28%)

	% respondents
Staff time to manage it	31%
Resources to manage it	28%
Not applicable - my organisation doesn't encounter any challenges in particular	24%
Developing suitable opportunities	19%
Communicating and/ or coordinating with providers	18%
Benefits not worth the cost	15%
No one has approached my organisation	15%
Never thought about it	10%
Don't know	6%
Other	

n = 1,011

Source: IES survey of employers, 2022

Time and resources were the main obstacles employers mentioned (31 per cent and 28 per cent respectively). Around a quarter of employers felt that they did not encounter any challenges (24 per cent), one in ten had never thought about engagement (10 per cent).

While in the survey, the top two obstacles to engagement focused on employer resources, those employers involved in interviews did not focus as much on this. The interviews did not ask employers a direct question on their views of education providers or their engagement with these. However, several brought up careers guidance and education services in their answers on other themes, particularly around the challenges they encountered in recruitment and specifically on young people's readiness for work. There was a widespread feeling among these employers that education services were not preparing young people adequately for the world of work. Some felt that young people needed more employability support and training (for example, with job applications, interview skills, and soft skills required in the workplace) to help them succeed in job searching. Others suggested that schools and universities should provide more, or better quality, careers advice and guidance.

"Education has a big responsibility – there are so many jobs that people have no idea about, there's such a narrow focus in careers guidance. And everyone is going for the same job – when actually there are good quality jobs we struggle to get people into because education is not set up for it. Huge job to be done in terms of careers service – you need people who are actually in touch with what happens in the workplace."
Finance Manager, Healthcare, Scotland

Some employers discussed specifically the need for pre-employment training for young people, to ensure they are ready to enter a professional environment. A few specified that this was needed in education, either in school or through universities giving more emphasis to careers rather than further study.

There were, however, some employers that acknowledged that employers had a more significant role to play in terms of providing support. This included working more closely with education to build stronger bridges from education to work and support social mobility, and improving connections between employers and education providers, particularly in terms of employability support, to help schools and universities better prepare young people for the world of work.

*"I would love to work more closely with universities and schools – how can we increase social mobility and diversity? Recruit more people form under-represented backgrounds? I would like to see more mentorship schemes
– have mentees come together and share exeriences."*
Finance Manager, Healthcare, Scotland

Interestingly, the points raised by employers resonate with issues raised by young people in previous research (Orlando, 2021).
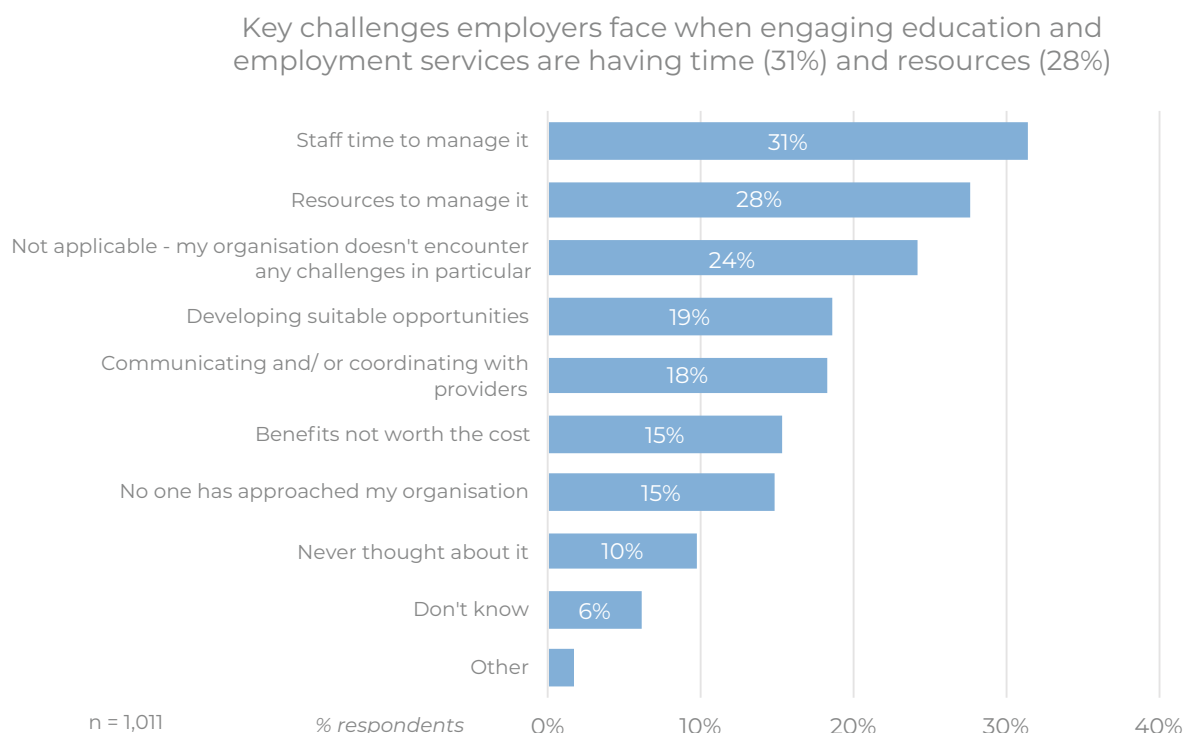
06 SUPPORT NEEDS
AND POLICY ASKS

6   Support needs and policy asks

Summary

Employers want more support to manage young people's health in the workplace and call for improvements to careers guidance and education but are not sure what else could support them to provide better quality work. Beyond further financial support and subsidies from government, changes to the current education, careers, information and guidance system were key areas for policy intervention among employers in the survey and in interviews. They wanted more support to offer better quality apprenticeship opportunities and to link to the talent pipeline in education. A key issue that emerged in interviews was how to support young people with health conditions and those struggling with mental health; many employers felt ill-equipped to provide the necessary adjustments to young workers and wanted further support. The overwhelming finding emerging from the employer research was that employers lacked an understanding of the support that could be offered to them so that they could provide better quality opportunities to younger workers.

In the survey, we asked employers about further support they would like to help them provide better quality work to young people. Employers' answers are shown in Figure 13 below.

Figure 13:   Type of support to provide good work to young people (multi-coded responses)

Key challenges employers face when engaging education and employment services are having time (31%) and resources (28%)

Source: IES survey of employers, 2022

There was no strong preference for any type of support across employers, with just under a third (32 per cent) saying financial support and subsidies would be useful. Notably, over a quarter of employers (27 per cent) said there was no support in particular which would help their organisation provide young people with more and better-quality work opportunities, and just under one in ten (9 per cent) had no sense of what could help.

When looking at respondents' characteristics, the following findings emerged (see separate Appendix for tables with full findings):

- **Size**. There was a higher number of employers in small organisations that felt no support in particular would help them (31 per cent), compared to those in medium (26 per cent) and large organisations (18 per cent). They were also less likely to feel they'd benefit from practical guidance on employing young people (15 per cent) compared to medium (20 per cent) and large employers (22 per cent) and from advice to improve job attractiveness (11 per cent, 17 per cent, and 21 per cent).

- **Location.** A higher rate of employers in Scotland found financial support useful (39 per cent), compared to other regions. Those in Wales were most likely to find practical guidance and toolkits useful (30 per cent), those in the East of England were least likely (13 per cent). Welsh respondents had the highest rate of those who found youth-specific business support useful (27 per cent), those in the East of England (12 per cent) and in Scotland (13 per cent) had the lowest.

- **Age.** A higher rate of employers aged under 45 said advice to improve job attractiveness would be useful (22 per cent) compared to those above 45 (11 per cent). On the other hand, employers in the 45+ age range were more likely to feel nothing in particular would support them (23 per cent) compared to those under 45 (16 per cent). Across the board, the differences were starker between respondents aged under 35 and those aged over 55.

Hiring and retention support needs

In interviews, employers made suggestions regarding training provision and how the education system can be adapted to better prepare younger workers for entering the workplace, as well as calling for more support around health and wellbeing.

Changes in education

Many of the employers interviewed noted that they felt some of the young people that they hired were not yet ready for the workplace. Consequently, they suggested that education providers (schools, colleges and universities) had a role to play to ensure that younger applicants are better prepared for the world of work, through providing careers guidance and education. It is worth noting that the Gatsby Benchmarks are fostering this in schools and further education courses, since they now have employability and work experience embedded and are showing signs of positive outcomes in the programme's early rollout (Hanson et al. 2021). Similarly, universities are measured on employment outcomes so many have been motivated to improve their employability offer too. Nevertheless, data has found that higher education outcomes can vary significantly depending on the location and subject of study (OfS, 2021).

Employers who were interviewed suggested improving careers advice and guidance, changing employer practices and, to a lesser extent, government policy to improve job quality for young people.

"[Careers guidance] requires buy in from the young people. Potentially within schools as well, back when I was at school – go through careers process, go speak to someone, go into a room are given pamphlets – but actually utilising the skills session during GCSE and A levels actually use them to support employability skills and get them to understand the world of work and life skills." - Team Leader, Finance, Wales

Some employers suggested that the university curriculum should be more practically focused, while others suggested that work-related experience or employability training should be provided as part of further and higher education. Some employers believed careers advice, support and guidance should be embedded throughout education and training. Both of these points resonate strongly with the findings from the research conducted with young people last year (Orlando, 2021).

> *"Wonder if we are too centric on unis and degrees – if we go back to the 50s to 70s it was all about doing an apprenticeship and that was your route. UK aspiring to be a centre for technical excellence – education needs to reflect the current world. Need to equip younger people through schooling to be better equipped and more realistic."*
> Head of Organisational Resilience, Medical, England

Some employers also suggested that organisations have a role to play in ensuring that they are engaging with education providers, providing mentoring and work experience opportunities and giving talks/sharing experiences.

> *"Russell Group universities are looking to prep people for further study rather than going into the workplace – there is lots to be done around managing people's expectations."*
> HR Manager, HE, England

> *"Put kids in a company and then one or two days a week they would go to college and learn digital and employability skills. That would help them so much - even just the basics about managing hours, opening a bank account, managing money, etc. That type of scheme from government would really help."*
> Project Manager, Retail, Scotland

Apprenticeship support

Employers in interviews suggested that the government needs to invest further in the apprenticeship provision and other forms of training that can be done on the job, to help address the issue of a lack of workplace and practical experience. This finding again resonates closely to the research carried out with young people who reported wanted more apprenticeship opportunities (Orlando, 2021). However, in cases where it was felt by employers that they offered a good quality apprenticeship programme, they often felt that there remained difficulties recruiting young people from the local area to these roles. this, with the findings from the young person research, suggests more support at a local level could be valuable (eg with advertising support from the council).

> *"More needs to be done to convince employers to use apprenticeships a lot more to provide structure and support around career development. Still probably the traditional view that apprenticeships are for younger people even though they no longer are now... if it was a government scheme then yes there would be more legitimacy to it, difficult to do it as an organisation without seeming you're giving preferential treatment to one group over other."*
> HR Manager, HE, England

> *"There is a gap in education process…*
> *it's about making sure individuals leave with the right skillsets."*
> Head of Organisational Resilience, Medical, England

Apprenticeships were, however, considered to be an effective route to support retention since employers felt that those who engaged in apprenticeship schemes at a young age were more likely to remain loyal to the organisation. This led several to suggest that expanding support for employers to rollout larger numbers of apprenticeships in future would be beneficial. Nevertheless, it is worth noting managers who were not positioned within the HR function wanted to be more involved in the design and development of apprenticeships in their companies, to ensure these would provide the best possible experience for both sides.

Support for managing health conditions and wellbeing

As outlined in previous sections (see Chapter 4.1), employers acknowledged that younger employees were more likely to be more open about mental health conditions and disabilities. This was also found in the research with younger workers who reported needing much greater support in this area (Orlando, 2021). Not all employers felt able to support for these needs and some were losing young workers as a consequence. For example, an employer working in a pharmaceutical firm noted lacking the knowledge of the adjustments that could be made in order to make the work accessible to workers with a range of disabilities.

> *"There are a lot of disabilities now – we need to accommodate them,*
> *but as an individual I might not know how to do that. Now we have a lot of young people*
> *who have something – it can be really wide ranging, on paper we need to accommodate*
> *everybody but in reality, we are not doing it – we don't have the knowledge and*
> *experience. And some situations are so difficult, it's impossible*
> *no matter how willing you are."*
> Finance Manager, Pharmaceuticals, Scotland

To improve retention, some suggested that further investment was needed into government-funded occupational health programmes, complemented by employers improving or introducing in-house training for people with line management responsibilities to help further support these workers. Since the research with young people, the cost-of-living crisis has intensified creating a situation where many may also need additional mental and financial support from their employers.

> *"One of the things we'd like support in – reasonable adjustments,*
> *being a disability confident employer."*
> Operations Manager, Information and Communication, England

Lack of awareness of support needed

Few suggestions were made during interviews regarding how employers could be better supported to provide good quality work to young people. This reinforced the survey findings that nine per cent did not know what they needed and 27 per cent being unable to think of

anything that could help. This suggests that not only do some employers feel that they are not in a position to better support younger people, but they are also not aware of the different mechanisms and institutions that would be best placed to help them provide better quality employment opportunities to younger workers.

"Not sure of what could help...the answer to that is difficult."
HR Officer, Education, England

"Don't know what support we need because I don't know what we're missing."
Managing Director, Manufacturing, England

07 CONCLUSIONS AND RECOMMENDATIONS

7 Conclusions and recommendations

Making young people a vital part of every workforce

Many employers do not regularly hire young people. This is a continuing trend and one which has important implications for young people's career prospects and future outcomes, as it may delay their entry and progression in work. Among employers who hire young people, many either have no experience hiring, or do not know if they hire, young people facing disadvantage. There is also some evidence in the research that employers engage in unhelpful practices, such as hiring based on the prestige of the educational institutions young people exit, using AI screening, and requiring high skills and qualifications for entry-level or junior roles. This highlights access to work for young people is still unequal, particularly for more marginalised groups.

Employers participating in the research were instead prone to focus on young people's perceived lack of work experience and skills, and lamented the poor quality of careers services in preparing young people for work. While this in part reinforces traditional narratives that employers look for skilled and job-ready young people and are less inclined to invest in developing the young workforce, the research highlighted a more nuanced picture. Many employers reported wanting to build a talent pipeline and shared intentions to focus more on issues of social mobility to support the Equality, Diversity and Inclusion ambitions in their organisations. Additionally, we know that employers are currently struggling with high vacancy numbers. With over 300,000 unemployed young people and around 700,000 young people NEET (ONS, 2022), there is no lack of potential employees. The challenge is, on the one hand, ensuring there is support for both employers and for young people to help them enter and sustain work, and on the other, promoting attitudinal and behavioural change among employers.

> **There is a need to support a shift in both mindset and practice among employers to widen opportunities for young people to enter work, by:**
>
> - **Incentivising employers to hire young people.** This can be done by central government through financial incentives, as evidenced in international practice (Orlando and Wilson, 2022). Examples include one-off payments or time-limited wage subsidies for employers who hire young people with protected characteristics or form disadvantaged groups, or one off-payments to support the costs of the initial onboarding and training of young people. It can also be done by business support organisations, by helping employers build a 'business case', looking at the economic and social benefits of hiring young people.
> - **Building better pathways from education to work.** This requires a concerted effort by government, education providers, and employers. It includes the need for government to heed increasing calls to improve investment in the provision of high-quality careers guidance and support. Education providers should place greater emphasis on job preparation for students, such as through mentoring and employability classes, and to strengthen links with employers, particularly for small and local businesses. Employers need to engage with education providers according to their resources, but through a sustained and consistent effort which can build strong relationships over time and streamline the recruitment process.

- **Strengthening the role of intermediary organisations.** Central and local government should increase resourcing for intermediary organisations, ranging from local Jobcentres to third-sector organisations, which play a vital role in providing local employers with the support that can help improve their hiring practices and advance their equality, diversity and inclusion ambitions. These organisations work through local networks, have knowledge of and access to unemployed and marginalised young people, and can support employers to progressively develop the understanding, resources and opportunities to support disadvantaged young people into sustainable employment.
- **Leveraging the potential of local development.** There are a range of established mechanisms, such as Local Enterprise Partnerships and Local Skills and Improvement Plans, which bring together government, businesses, education, and representative bodies to advance the social and economic development of local areas. There is a need to improve partnership work across these bodies and for youth employment to become a key outcome across each local strategy, with clear indicators, targets, and accountability mechanisms.

Bridging the gap between employers and young people

Across a number of themes in the research, it emerged that there are multiple gaps potentially separating young people and employers. Some examples include the over-emphasis on young people's digital skills, the use of both protective and patronising labelling of young employees as 'kids' or 'youngsters', and the discrepancy employers reported between their own and young people's expectations of work.

Above all, the gap appears stark when comparing employers' perceptions of good work and their offering of good work, which are overall optimistic, to young people's views of the work available to them which emerged in previous research, which are overall pessimistic (Orlando, 2021). There was evidence in both the survey and interviews to suggest that young people are still likely to be found in lower-paid jobs and, given pay is a key dimension of good work, this is one element that highlights the gap between employers' perceptions and young people's expectations.

However, the research also showed that employers value young people, their talents and energy, in other ways with many using and developing supportive workplace practices to bridge gaps, such as through training, good management, and job design. It is also interesting to see the role played by the age of employers', since the younger employers surveyed showed more positive attitudes and behaviours towards young people. This suggests that there is an opportunity to help employers focus more on the value of building an intergenerational workforce and dispel misconceptions and misplaced expectations around young people's readiness for work.

There are discrepancies in culture, perceptions, and expectations that risk widening the gap between young people and employers, and which need to be addressed by:

- **Improving standards of pay for young people.** In order to meet their ambitions for good work and to attract and retain young people, employers need to increase their standards of pay for young people. This includes paying at least the Real Living Wage for an entry-level role, ensuring pay is fair by engaging with business support organisations and in benchmarking exercises, clearly stating pay on job adverts and offering the same pay for the same roles, and developing transparent salary progression strategies.

- **Strengthening young people's voice and involving them in decision-making.** Employers should ensure young employees can consistently access voice and representation platforms, and are mindful of the barriers they may encounter due to their age and power imbalances in the workplace. They should ensure young employees' feedback is regularly collected, that their views are accounted for when developing organisational practice, and are involved in decision-making processes where relevant.

- **Developing strategies for the employment of young people.** Employers can place a focus on developing practices that can support disadvantaged young people into the roles they offer. This can be achieved by engaging with business support organisations with a focus on young people, to develop best practice. It should also include involving young employees in developing youth-oriented recruitment practices and involving them in the recruitment process.

- **Supporting youth-friendly business cultures.** Employers should view, treat, and value young employees in the same way as their other employees, and ensure their recruitment and workplace practices are not biased against young people – particularly against those from disadvantaged groups. This can be done by developing a better understanding of bias, engaging with organisations, resources and tools that support youth-friendly practices, and being intentional around developing effective organisational strategies for a diverse and intergenerational workforce.

Supporting young people to thrive in the workplace

Many employers who participated in the research are already implementing measures aimed at supporting good work for young people, paying attention to how they can develop purpose in the roles they design for young people, support autonomy and creativity, provide development opportunities, and supportive workplace environments. Encouragingly, the research evidenced widespread consensus among employers that good management is key to good quality work, especially for those young people who have recently transitioned into the world of work and are at the start of their careers.

However, employers, particularly those in small and medium organisations, also struggle with resources and capacity to offer better terms and conditions to young people. While for some this pertained to pay, development, and progression, for the majority a key challenge was around supporting young people's health and wellbeing, and particularly their mental health. While larger employers tended to have formal support structures in place, like EAP, smaller employers relied on more ad hoc measures, like wellbeing days. In some cases, those who struggled with resources were not able to provide much in the way of support.

Overall, there was consensus among employers that they struggle to support their young

employees in relation to their mental health, particularly given a perceived recent increase in young people's needs surrounding mental health. Previous research with young people has shown that this is indeed the case. Some employers lack an understanding of how mental health can impact young people that are entering the labour market. The research showed many do not recognise it as a key barrier to accessing work, while it is one of the key barriers reported by young people themselves.

> **There are a range of good practices that employers use to help young people thrive in the workplace, but more support is needed, especially around mental health. This can be achieved by:**
>
> - **Learning from good practice.** There is an array of resources, toolkits, guidance and advice available to employers around good practice to support young people in the workplace, including around supporting young people's mental health and wellbeing. The findings in this report on employers' offering of good work, management, and recruitment solutions also outlines a range of evidence of what good practice employers are already doing, which can provide learning for others in similar organisations and sectors.
> - **Improving mental health literacy.** A collaborative effort is required to develop universal guidelines on supporting employees' mental health in the workplace. This should also include ensuring that employers are aware of their legal responsibilities (through the Health and Safety at Work Act) around mental health, and are tangibly embedding appropriate workplace policies and practices. This can be achieved through a taskforce involving government, health, mental health, and disability advocacy organisations, employers, and employee representative bodies.
> - **Supporting inclusive practices.** Employers can adopt practices which encourage their employees to safely disclose information on their health, wellbeing or any complex circumstances they may be facing. They should ensure that appropriate support is in place to help employees manage these, such as through adjustments and support plans. This should start at the recruitment stage and continue at later stages. There should be a specific focus on young employees, as they often face added challenges due to power hierarchies in the workplace.
> - **Investing in health and wellbeing support.** Government should support employers to invest in providing better health and wellbeing support in the workplace. This can be done through subsidies for employers with limited resources to support mental health training, via access to occupational health or employee assistance services. This can also be supported by improving links between workplaces and health services, by equipping employers with information and resources to signpost employees to further support.

Scaling up support and awareness of support for small organisations

Small organisations make up over 99 per cent of the total number of businesses in the UK, accounting for almost half of the total employment (48 per cent), and for over a third of economic turnover (36 per cent) (ONS, 2022). While being a key part of the economy, small organisations traditionally face the greatest business challenges and struggle the most with issues of capacity and resourcing. The research evidenced that this is the case also when it comes to youth employment, particularly around hiring and recruitment practices, improving access, health and wellbeing support, pay conditions, and engagement with education. A key reason for this is that small organisations do not have the infrastructures

or the formal support structures that medium and large organisations have.

Despite these challenges, many small employers in the research did not think there was any type of support that could help them provide better work for young people. While this appears to highlight a contradiction, there might be other factors at play. Given employers in small organisations are often poor in time and resources, it is more likely they may not be aware of the range of support available to them or struggle to identify what support could help them address these challenges. Beyond this, even where they may be aware of support or good practice, they are unlikely to be able to access or implement it due to resourcing challenges.

Small businesses can play a key role in youth employment. Medium and large organisations tend to concentrate in big cities or to be dislocated in places which are difficult to access, and those outside such areas are often in a restricted number of sectors, such as retail and hospitality, which are also often those offering low-quality work. Because of their scale, there is a higher concentration of small businesses across the territory, spanning a wide range of industries and roles. These businesses are also more likely to be embedded in their local areas, and to have a vested interest in their local community. This has key implications for accessibility and diversity of opportunities, particularly for young people at the start of their careers and those from disadvantaged backgrounds.

Small businesses can play a key role in providing young people with good work, and need to be supported to hire from younger age groups by:

- **Supporting small organisations to access existing support.** There are a wealth of resources available for small organisations to support youth employment, through both government schemes and gateway organisations, yet employers need to be enabled to access this in a way that is easy for them. This can be achieved through bespoke engagement by business support organisations with employers, which is sensitive to the challenges these organisations encounter when engaging with support. These organisations should act as bridges between employers and gateway services and support employers to better structure their youth employment practices, in a way that benefits both them and young people.

- **Establishing local 'Employer Hubs'.** Government should establish local 'Employer Hubs', following a model similar to the Youth Hubs, and which could be integrated within existing Youth Hubs. These Hubs would provide a one-stop-shop for local employers to access information, guidance and support around youth employment in a single place. They should include dedicated employer engagement teams, with representatives from local Jobcentres and local youth employability services, and youth employment champions.

- **Reforming and increasing financial support for small organisations.** Government should reform some of the existing financial support for employers (eg heeding to existing calls to reform the Apprenticeship Levy to allow employers to use it more flexibly). It should also introduce new measures targeted to small organisations (eg through broadening and promoting access to shared apprenticeships schemes with larger employers). In addition to this, Government should create a dedicated fund to help small businesses support their employment costs, such as those that exist in other UK nations (eg the Individual Training Account in Scotland) and in other countries (Orlando and Wilson, 2022).

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