ies Report

Institute for Employment Studies

Progression in Employment: Using behavioural insights to promote progression in employment

The Progression in Employment project

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NEW SKILLS AT WORK

JPMORGAN CHASE & CO.

Institute for Employment Studies

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Contents

Introduction to the Progression in Employment (PIE) project

The Progression in Employment project, of which this paper forms a part, is designed to capture evidence and insights on developing and implementing upskilling pathways for low-skilled adults. The project aims to identify effective employer practice in supporting the in-work progression of adults in low-skilled and low-paid work, and to share the learning from this practice with employers through the creation of an employer toolkit and a range of dissemination activities.

The project is particularly timely and relevant given:

■ The increasing risk of in-work poverty since the recession in 2008 (Eurofound, 2017).

■ Job polarisation, characterised by demand for high volumes of high skilled and low skilled jobs, and reduced demand for jobs requiring intermediate skills, which is affecting internal career ladders and creating challenges for people with lower skills who want to progress.

■ Low-skilled adults are less likely to participate in training (OECD, 2019). This is likely a reflection of both worker attitudes toward training and the lack of opportunities offered by employers to low-skilled workers (Kyndt et al, 2013).

■ There are persistent mismatches between employer skills requirements and the available talent pool. Comparative analysis has shown 14 types of critical skills shortages in the UK, 15 in Germany and Spain, eight in Sweden, two in Italy and two in France.

■ The Fourth Industrial Revolution is changing and is predicted to reshape the world of work and labour markets. People with low skills are typically the most vulnerable to the effects of labour market change.

■ Comparative analysis of institutional contexts, national policy and employer choices show very different prospects for progression in different countries (Gautie and Schmitt, 2009), suggesting the value of sharing learning to support better practice.

■ Career progression to higher skilled roles can offer higher salaries, better working conditions, job satisfaction, greater challenge and interesting work. Progression can also provide a platform to engage in lifelong learning and to access further qualifications.

The project is focused on four sectors and across six European countries. The four sectors are:

● Retail

● Hospitality

- Health
- Social care

These four sectors have been chosen as they employ significant numbers of low-skilled workers and are sectors that are projected to grow. By 2025, sectoral shares of employment across EU countries is predicted to increase 7.8 per cent in human health and social care activities, by 5.5 per cent in hospitality, and by 6.2 per cent in retail (Cedefop, 2017). These sectors are also increasingly affected by technological change.

The six countries are:

- Germany
- Spain
- France
- Italy
- Sweden
- United Kingdom

This paper is one of a series of research papers. The focus of this paper is to explore the potential application of behavioural insights or 'nudge' approaches to promoting the progression of low-skilled, low-paid workers.

The other project outputs focus on the following aspects:

- policy briefing – this paper looks at why employment progression matters, and provides a brief overview of the different policy levers available and the emerging evidence around what works;

- employer initiatives to support progression of low-skilled, low-paid workers – this paper highlights examples of promising employer practice with respect to progression across the six countries drawn from publicly available sources;

- progression in employment: a cross-country data analysis – this paper investigates what is known about the progression of low-skilled workers across the six countries from available survey datasets. The analysis builds on previous work by isolating the effect of low skills on progression, rather than a simple descriptive analysis of how low-skilled workers fare in the labour market;

- employer toolkit – the toolkit provides example case studies and a range of HR tools and techniques that employers can use to support the progression of low-paid, low-skilled workers;

- case study collection – this provides example employer case studies of action to improve progression in the workplace in each of the six main countries and three sectors included in the Progression in Employment project;

- progression in employment (main report) – this will summarise findings from across all phases of the project, and incorporate in-depth employer case studies of progression.

We hope the project, through widespread communication of promising and effective employer practice, by employers of all sizes, will encourage other employers to take action to support the progression of low-skilled, low-paid workers.

1 Executive summary

1.1 Purpose of this paper

This report provides an analysis of how behavioural insights or 'nudge' approaches could be used to encourage employers to improve career progression for low-skilled, low paid workers.

The report is based on a literature review of:

■ behavioural insights theories and frameworks;

■ the use of behavioural insights theory to 'nudge' organisations;

■ applying behavioural insights specifically to low-skilled groups.

1.2 Key findings

In recent years there has been a proliferation of frameworks and tools to support policy-makers and organisations in changing the behaviour of individuals. Most pertinent to this review is the ORGANISER framework, which was developed specifically to support behaviour change in organisations (Cabinet Office, 2016). Also relevant to organisations is the concept of Inclusion Nudges, which was developed to identify how behavioural insights can be leveraged to make organisations more diverse and inclusive (Nielsen and Kepinski, 2014).

Research which supported the development of the ORGANISER framework identified that the most effective way to nudge organisations is to tie the intervention into wider business goals and emphasise how it will further these aims (Wilson et al, 2016). It is also important to recognise that employers operate within a complex context of networks, which includes suppliers, partners, competitors, regulators and customers. Nudges need to acknowledge, navigate and leverage this landscape. Finally, organisations may also have particular 'trusted sources' that they seek guidance from. This could be an internal source, such as a board of directors or an employee network, or external sources such as a customer or employer association. If these sources can be identified and used as champions for the intervention this could be an effective way to persuade the employer to promote career progression (Cabinet Office, 2016).

Supporting career progression for low-skilled people is predominantly concerned with access to and take-up of training. Employers can be encouraged, for example as part of their talent management approach, to provide more training opportunities for low-skilled workers, and interventions should also be put in place to encourage better take-up among employees of non-compulsory training. Providing employees with clearly delineated and

accessible career pathways, as well as the means with which to pursue them is also important.

To address the needs of older low-skilled workers, employers need to be encouraged to introduce interventions that provide these workers with an opportunity to decide how they want to work as they approach retirement age, whilst avoiding ageist stereotyping. Employers can be persuaded of the value of supporting older low-skilled workers by highlighting the potential savings that can be made if retention levels are higher, and the value of the experience and knowledge that older workers contribute. Older low-skilled workers can also be supported with training and professional development opportunities, which they may be hesitant to take up without employer encouragement.

Initiatives that help organisations to be more inclusive of diverse and underrepresented employee groups and encourage organisations to improve career progression opportunities as part of their corporate social responsibility strategy and/or diversity management are also valuable.

1.3 Summary of recommendations

In the final section of this report, ten recommendations are identified that could be followed to improve career progression for low-skilled workers. These recommendations consider both external and internal initiatives. The former are designed to be implemented by an external party to encourage organisation/s to support career progression for low-skilled workers. The internal initiatives are recommendations for actions that employers could introduce within their organisation to support better progression. As a whole, these recommendations offer a blueprint for how to encourage more widespread take-up of employer initiatives to support career progression for low-skilled workers.

To create a strong business case for intervention these recommendations should be tailored to align with specific business aims. Additionally, it should be highlighted to employers that some initiatives to improve career progression can be simple and cost-effective.

1.3.1 Recommendations for external initiatives

1. Link improving career progression for low-skilled workers to current or future business aims by building a solid business case;
2. Provide a platform for organisations to make public statements about incorporating underrepresented groups into the workforce, and publicly benchmark organisations;
3. Fit the intervention to the operating environment, and ensure it can be accommodated within the existing business landscape eg resources, regulations, etc.;
4. Identify individuals and/or sector bodies, or other umbrella organisations who can act as champions for the initiatives;
5. Combine training opportunities with sector-wide or supply chain relationship-building opportunities;

1.3.2 Recommendations for internal initiatives

1. Introduce internal awareness campaigns of organisational commitment to encourage career progression for low-skilled workers;

2. Use line manager relationships to encourage low-skilled workers to take up optional training opportunities;

3. Provide inter-generational engagement opportunities;

4. Establish default career conversations for older low-skilled workers once they reach a certain age; the outcomes of which may provide more scope to obtain further career progression;

5. Use group evaluation in recruitment and promotion assessments.

2 Introduction

2.1 Paper outline

This report provides an analysis of how behavioural insights or 'nudge' approaches could be used to encourage employers to improve career progression for these groups.

The report is based on a literature review of:

■ behavioural insights theories and frameworks;

■ the use of behavioural insights theory to 'nudge' organisations;

■ behavioural insights specific to the progression of low-skilled workers.

The barriers to career progression identified in our earlier literature review *Employer initiatives in relation to progression in employment* (Rickard et al, 2018), were used as a starting point to explore how behavioural insights could help to overcome these barriers and promote in-work progression.

Most of the behavioural insights literature is oriented towards nudging individual citizens, whilst the aim of this report is to focus on techniques to 'nudge' organisations to prompt organisational change. This means that there are a limited number of frameworks that are relevant to this study, with two key frameworks selected to inform this analysis:

■ Firstly, the ORGANISER (Cabinet Office, 2016) framework, which was identified in our literature search as the key framework for nudging organisations.

■ Secondly, the concept of Inclusion Nudges (Nielsen and Kepinski, 2016) was selected as the primary framework to inform initiatives seeking to change the behaviour of employees, as our literature search identified that employees within an organisation also need to be nudged to support career progression initiatives, even where there is already organisational-level commitment.

We considered the barriers to career progression alongside the nudge theories to produce ten recommendations. These recommendations are intended to be used to support initiatives to improve progression in employment for low-skilled workers.

2.2 What does this report cover?

The remainder of this report is structured as follows:

■ Section 3 – an overview of the theories of behavioural insights and how they can be applied to organisations, including case study examples;

- Section 4 – a discussion of how behavioural insights can be applied to overcome barriers to progression in employment for low-skilled workers, including case study examples;
- Section 5 – concluding comments and recommendations for how to implement initiatives to promote career progression for low-skilled workers.

3 What are behavioural insights?

This section provides an introduction to, and overview of the theories of behavioural insights and how they can be applied to organisations. Case study examples are used to illustrate the theory in practice.

3.1 Behavioural insights and nudge approaches

Behavioural insights combine an understanding of economics and psychology to consider how people make decisions, and how those decisions can be influenced. Applying these insights to encourage individuals towards a particular behaviour is commonly known as 'nudging'. It has gained increased attention in recent years by policymakers in particular, as it offers a cost-effective way to influence citizens' behaviour (Dolan et al, 2010).

Nudges are generally non-coercive and retain individuals' freedom to choose to alter their behaviour rather than forcing them to act in a particular way (Sunstein, 2014). This differs from more traditional levers such as financial incentives or regulation, which seek to more explicitly force a type of behaviour. Nudges appeal to the subconscious parts of the brain that tend to make decisions based on previous experience or context, rather than logical reasoning, particularly in a time or resource-pressured environment (Dolan et al, 2010; Wilson et al, 2016).

Some research suggests that up to 90 per cent of our thought processes are automatic, meaning that addressing such cognitive processes may be a powerful tool in influencing behaviour (Nielsen and Kepinski, 2016). This suggests that policy-makers can influence behaviour without having to persuade individuals to do so with logical reasoning. Instead, decision-making can be influenced through changes to the decision-making environment by making the path to the desired decision more automatic and straightforward than the path to other behaviours (Dolan et al, 2010).

In recent years there has been a proliferation of frameworks and tools to support policy-makers and organisations in changing the behaviour of individuals. An overview of these frameworks is provided in Table 3.1. These include the MINDSPACE framework developed for the UK government; the EAST framework developed by the UK Behavioural Insights Team; and the COM-B system (Dolan et al, 2010; Service et al, 2014; Michie et al, 2011). Most pertinent to this review is the ORGANISER framework, which was developed specifically to support behaviour change in organisations (Cabinet Office, 2016).

Also relevant to organisations is the concept of Inclusion Nudges, which was developed to identify how behavioural insights can be leveraged to make organisations more diverse and inclusive (Nielsen and Kepinski, 2014). For this report we focus on the ORGANISER

framework and Inclusion Nudges (also highlighted in the Table below) as the key approaches designed specifically for implementing behavioural change in organisations.

Table 3.1: Overview of key behavioural insights frameworks

Framework	Purpose
MINDSPACE (Dolan et al, 2010)	Developed for UK policy-makers, the MINDSPACE mnemonic identifies nine key, non-coercive influences on individuals' behaviour. These include 'incentives', 'defaults', and 'ego'.
	The framework is intended as a 'checklist' for policy-makers to use to ensure they consider these influences when designing policy.
COM-B (Michie et al, 2011)	COM-B describes behaviour as influenced by three factors: capability, motivation and opportunity. These three factors combine to create behaviour that leads to a particular outcome.
EAST (Service et al, 2014)	This framework was developed by the Behavioural Insights Team to condense behavioural theory into four very simple principles to apply when aiming to change individuals' behaviour: Easy, Attractive, Social and Timely.
ORGANISER (Cabinet Office, 2016)	This framework was developed for the UK government with the specific intention to nudge organisations. Nine common themes are identified in the mnemonic and they describe the key influences on organisational decision-making.
Inclusion Nudges (Nielsen and Kepinski, 2016)	Inclusion Nudges are initiatives designed to support meaningful and lasting changes in organisations to improve inclusion and diversity in the workforce.

3.2 The ORGANISER framework

Nudging is based on the fact that individuals' decision-making is to a large extent automatic and influenced by contextual factors. In a typical organisation however, decision-making is unlikely to be carried out by one individual and is more likely to be group-based. This is likely to make their decision-making more rational and reflective, with decisions being made to consciously further the aims of the business. Organisations are also more likely to be more competitive with each other than individuals are, and organisational decision-making will vary depending on the size and aims of the business, as well as on how that organisation's particular decision-making processes operate. These differences mean that there are slightly different levers to use to nudge organisations than to nudge individuals (Wilson et al, 2016).

In order to use nudge techniques in an organisation, it is important to understand the particular decision-making processes in place and its particular business aims. Fundamentally, if an organisation can be persuaded that an intervention will further its business aims, it is more likely to adopt it (Wilson et al, 2016).

The ORGANISER framework was commissioned by the UK government to inform policy-makers' attempts to nudge organisations. It divides organisational drivers into three groups of three levers that can be used to encourage change in an organisational context. These are considered in more detail below.

External drivers

Consideration of the environment in which an organisation operates is important for understanding how to nudge the employer towards a particular intervention. This includes understanding the regulations they are subject to, and the degree of competition in the market. For example, if the organisation operates in a highly competitive environment, some form of benchmarking against other similar organisations could be a very effective nudge. Similarly, if an organisation is particularly concerned about its corporate image, encouraging it to publicly commit to an intervention may hold particular weight (see Case study 1) (Cabinet Office, 2016).

Case study 1: Making use of organisational reputation to encourage responsible drinking

Reputation can be an effective lever to nudge organisations, particularly in consumer markets. In order to encourage the drinks industry to take steps to reduce irresponsible drinking, the government included action by the drinks industry in the Public Health Responsibility Deal. If the drinks industry did not take action, they risked negative press, government scrutiny and negative feedback from the rest of the industry supply chain. Drinks companies therefore voluntarily introduced measures such as clear unit content display on nearly all products sold. This was so effective that within three years, nearly 80 per cent of industry products displayed clear unit content.
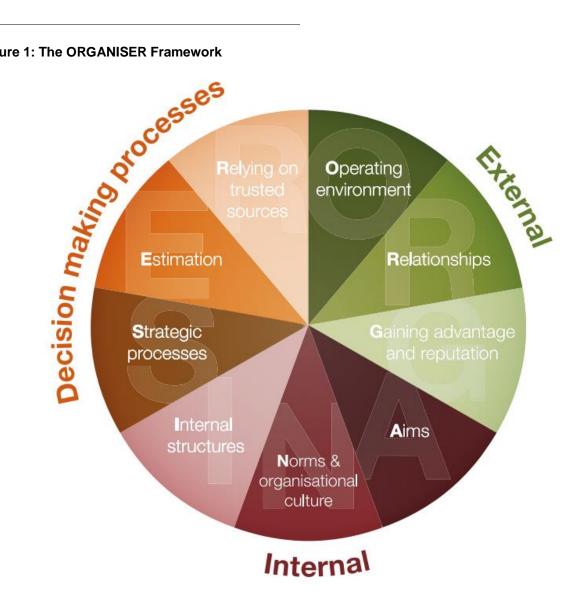
(Cabinet Office, 2016)

Internal drivers

Organisational activity is primarily driven by the business aims. By identifying these aims the intervention can be tailored to highlight the particular benefits to the organisation. Understanding the organisational culture is also a key success factor, especially identifying where decision-making occurs in the organisation and at which level and within which business area, in order to appropriately pitch the intervention (Cabinet Office, 2016).

Decision-making processes

Most organisations operate under some level of constraint, such as time or resource. Recognition of this means that the intervention can be designed to fit within these constraints. Interventions should be simple and align with the processes already in place within an organisation. Through this process, it is also possible to identify what the main factors are that affect decision-making in the organisation.

Figure 1: The ORGANISER Framework

Source: Organiser: A Behavioural Approach for Influencing Organisations, Cabinet Office (2016)

3.3 Inclusion nudges

Research into barriers that prevent progression in employment identified that stereotyping and bias are often factors prohibiting underrepresented workers from progressing in their careers (Rickard et al, 2018). Although unconscious bias is increasingly recognised as a barrier to organisations becoming more diverse, it still remains a prohibiting factor to inclusion in organisations (Nielsen and Kepinski, 2016).

Because individual decision-making is primarily automatic and not controlled by the rational part of the brain, an awareness of unconscious bias is often not enough to create lasting and meaningful behavioural change. For organisations this means that although unconscious bias training is helpful to highlight the issue within the business, it alone will not prompt significant behavioural change. Although there may be commitment at an organisational level to a particular intervention, this does not mean that individual employees will necessarily internalise and rationally act in line with this (Nielsen and Kepinski, 2016).

Inclusion Nudges have therefore been developed as a set of approaches informed by behavioural economics that can be used to support inclusion and diversity initiatives in organisations. They are practical interventions that organisations can implement to alter the decision-making of employees when it comes to inclusion and diversity, and ensure that their conscious intentions are reflected in decision-making on issues such as recruitment and promotion (Nielsen and Kepinski, 2016).

Inclusion Nudges are divided into three categories, discussed in turn below:

"Feel the need"

If the extent of individuals' bias can be demonstrated to them at a personal level, they may be more motivated to consciously change their behaviour to overcome this. It is one thing to be told that we all hold unconscious bias, but more powerful to be shown a situation where an individual's unconscious bias has altered their decision-making. Introducing an exercise that exposes such personal behaviour is likely to cause the individual to commit more fully to their good intentions to rationally overcome unconscious bias (Nielsen and Kepinski, 2016). A full explanation of the exercise is provided in Case study 2.

Case study 2: Highlighting bias in recruitment and promotion

A simple exercise can be an effective way of highlighting cognitive bias to interviewers before a recruitment or promotion round. In this exercise, a group of interviewers are each given the CV of a fictional candidate to assess. The candidates must have identical CVs but different pictures, names, race and gender. Each interviewer must individually assess and rate each candidate. The group are then shown the variation in ratings, before it is revealed that all their candidates are equally suitable for the role. This can prompt interviewers to realise that their evaluation of candidates may have been influenced by their individual characteristics rather than their qualification for the role.

(Nielsen and Kepinski, 2016)

"Process"

Changing the environment in which decisions are made so that the intended behaviour is made the default or simplest option, can also be an effective way of shifting behaviour. The aim is to make the negative behaviour more of a burden for the individual than the positive behaviour. This type of intervention often involves a process change, such as changing the format of an interview process, or introducing a reminder in the middle of a process to nudge individuals back to a desired behaviour (Nielsen and Kepinski, 2016). Case study 3 discusses an example of a recruitment process nudge in more detail.

Case study 3: Using joint evaluation to overcome bias

Research shows that bias is more likely to be present when a candidate is evaluated individually compared to when they are evaluated alongside other candidates. When they are evaluated against others, interviewers are more likely to focus on applicants' past performance and competencies, rather than individual characteristics. Organisations can change their recruitment process to make group evaluation more common, and make it procedurally difficult for interviewers to assess one candidate at a time.

(Nielsen and Kepinski, 2016)

"Framing"

Specific linguistic terms may trigger particular concerns for individuals. In the case of classically gendered job roles such as those in the social and health care sectors, for example, individuals may be influenced by the linguistic framing of the role. By changing the language used, individuals may view it differently or react more positively to the opportunity (Nielsen and Kepinksi, 2016) (see Case study 4).

Case study 4: Reframing the job specification to encourage more diverse applicant pool

Some individuals may be deterred by the language used to advertise work opportunities, which may be read as designed to attract a particular gender, age or ethnicity. Stating all the demographics that the opportunity should apply to clearly in the text or title of the opportunity, encourages a more diverse pool to apply.

For example, a job description could state "We are looking for a *female or male* motivated talent", rather than "We are looking for motivated talent". This can help to shift stereotypes attached to some roles.

(Nielsen and Kepinski, 2016)

4 How can behavioural insights be used to encourage employers to promote career progression for low-skilled workers?

In this section, we consider how behavioural insights can be used to improve career progression amongst low-skilled workers. In order to influence employers to focus on such underrepresented groups, employers need to be convinced of the business case for doing so, and subsequently supported by initiatives and tools which may help them deliver in-work progression for employees. In this section, some general themes for nudging organisations are discussed, followed by a review of initiatives targeting different groups of low-skilled and underrepresented workers.

Research which supported the development of the ORGANISER framework identified that the most effective way to nudge organisations is to tie the intervention into wider business goals and emphasise how it will further these aims (Wilson et al, 2016). Fundamentally, changes which place the organisation in a better position to meet these goals are more likely to be considered. However, initiatives that may appear to support the employer's wider business aims will be unsuccessful if they are impractical or too costly to implement within the operating environment and corporate governance structure. Therefore, initiatives should represent an easy fit within the existing constraints of time, resource or regulation, and ideally align with existing organisational processes.

It is also important to recognise that employers operate within a complex context of networks that includes suppliers, partners, competitors, regulators and customers. Nudges need to acknowledge and leverage this landscape. For example, nudges can make use of the fact that organisations tend to be market competitive, by using initiatives such as benchmarking, which introduce a competitive element to encouraging career progression (Wilson et al, 2016; Cabinet Office, 2016).

Finally, organisations may also have particular 'trusted sources' that they seek guidance from. This could be an internal source, such as a board of directors or an employee network, or external sources, such as a customer group or employer association. If these sources can be identified and used as champions for the intervention this could be an effective way to persuade the employer to promote career progression (Cabinet Office, 2016).

The remainder of this section discusses various groups of low-skilled workers, exploring potential solutions to overcoming their barriers to career progression. This draws on research highlighting the most effective ways of implementing behavioural change in organisations and identifying practical interventions that can be used to do so.

4.1 Applying behavioural insights in practice

Among some groups of low-skilled workers, forms of discrimination and/or unconscious bias can be a barrier to their career progression. A number of structural changes can be made to address unconscious bias in the workplace. These include:

- critically evaluating promotion criteria for evidence of exclusion and bias and updating all promotion criteria by removing any unnecessary requirements;

- ensure that all individuals involved in the promotions process are trained in unconscious bias;

- create a workplace environment where those involved in the promotion process feel comfortable discussing and challenging perceived biases – both individual and organisational;

- in selecting candidates for promotions, include all remotely eligible people on a list rather than relying on a mental list, which may be subject to corruption by implicit biases. "Ask "Why not?" instead of assuming that they are not ready or interested" (Nalty Consulting; year unknown:p.11);

- involve many different types of people from different positions in the promotion process so that there are a wide variety of perspectives;

- standardise the promotion process to eliminate subjectivity and reduce unconscious bias.

(all Nalty Consulting; year unknown)

In the case of young low-skilled workers, discrimination is often largely attributed to stereotypical views that younger people are inexperienced or unreliable (Newton et al, 2005; Meinich and Sang, 2018). In some cases this perception may be justified, especially as a lack of recognised qualifications is another significant barrier to career progression for this group (Eurofound, 2017). However, in other cases young people are simply not offered training or upskilling opportunities, and this may particularly be the case when an intense work rate in low skill jobs leaves little autonomy for young workers to prove their skills or potential (Eichorst and Rinne, 2015;Yates, 2017). Such work also typically offers limited opportunities for training/upskilling.

Lack of willingness to support the career progression of young people is also based on employers' concerns that these employees may not remain with the organisation for long enough for it to be cost effective to invest in their skill development (McTier and McGregor, 2017). There are also a high proportion of younger workers in flexible low-skill work, and the precariousness of this work may particularly exacerbate this perception (TUC, 2017).

The ORGANISER framework highlights that organisations do not exist in isolation but instead operate within a network of suppliers, customers and competitors. Making use of employers' reliance on these 'relationships' (the first 'R' in the ORGANISER mnemonic) can be an effective way to nudge organisations to make changes or support new

initiatives, particularly training initiatives. Small organisations in particular can often struggle to access training for their employees because they do not have access to economies of scale, and the cost of tailored training is therefore prohibitive. However, creating networks or partnerships of employers for training benefits can help to overcome this barrier (Stone, 2012). Such networks can be built around a supply chain or large employer. Nissan, for example, has created a training organisation for its supply chain that co-ordinates and delivers training in exchange for a membership fee from employers in the supply chain (Stone, 2012). Furthermore, these networks provide business networking and collaboration opportunities, creating an additional incentive for small employers to participate. The OECD (Stone, 2012) also found that there is evidence that embedding firms in wider networks can positively affect the number of training days undertaken by SMEs. An example of an intervention of this kind is presented in Case study 5.

Case Study 5: Using sector-specific network opportunities to encourage training

Estates Excellence, Health and Safety Executive

The Health and Safety Executive (HSE) wanted to increase health and safety training within SMEs but found that it was not always easy to engage employers to do so. HSE therefore made use of the fact that most organisations depend on relationships with other parts of their supply chain to encourage employers to do more to train their workers.

HSE provided venues for the delivery of free training and guidance. The convenience of these centres, situated for example on a local industrial estate, increased the appeal of the training for local employers because it also created an opportunity to network and strengthen relationships with other key local organisations and the rest of the supply chain. It is also likely that an element of local market competition may have encouraged participation if competitor organisations were seen to be participating.

(Cabinet Office, 2016).

However, even if employers provide training opportunities, it does not guarantee that low-skilled workers will take them up. One study has found that millenials for example, are more likely than other age groups to dismiss optional opportunities as unimportant, suggesting that employers need to be more proactive and supportive in encouraging low skilled workers to participate in voluntary training opportunities (Ciccotello and Yakoboski, 2014). However, encouraging employers to make training opportunities compulsory may also not be an effective solution, as evidenced by research into training offerings for benefits claimants, which showed that compulsory training was found to make individuals more likely to be dismissive of the training, and benefit less from the opportunity (Gloster et al, 2017). This suggests that a better way to provide high value training to individuals is for it to be optional, and for employers to make clear that whilst training may not be compulsory, employees that take up the opportunities are likely to have improved career progression.

Furthermore, employers could use nudge techniques to encourage workers to take up non-compulsory training opportunities. One way to do this could be to make use of the

propensity for employees to be influenced by their friends and colleagues, and use these relationships to encourage the uptake of training (Ciccotello and Yakoboski, 2014). For example, a recent study investigated how behavioural insights could be applied to make graduate students more likely to engage with career services. Students were found to be most responsive to email requests to engage that originated from a known tutor rather than from an organisational account (Standage, 2018). In an organisational context, this suggests that an invitation to take part in a training opportunity should come from a manager known to the individual, and that employees should be encouraged to take up the opportunity by trusted peers. Additionally, prompting organisations to analyse their HR data to identify any patterns and possible hidden barriers in promotion decisions may also improve progression for underrepresented groups. For example, at Google, hiring managers found that more women applied for higher level positions if they were actively encouraged to apply for promotion (Nalty Consulting; unknown).

Another means of upskilling younger workers is to introduce inter-generational training opportunities that bring together older and younger workers. Engagement between younger and older workers through training, mentoring or buddying schemes increases the likelihood that the knowledge and experience of older workers will be transferred to younger workers. This ensures the retention of knowledge within an organisation as older workers retire and leave the organisation. This engagement can also help to reduce intergenerational tensions, which may occur when there is perceived to be a resource scarcity within the organisation, and could be detrimental to organisational cohesion and productivity (North and Fiske, 2016). Research by Newton et al also found that trainers reported that some younger workers were more ad hoc in their approach to training, whilst older workers were more disciplined. Their study found that when training took place in a mixed age group, younger workers tended to be positively affected by the behaviour of older workers (Newton et al, 2005).

Similarly to younger workers, older low-skilled workers may experience negative stereotyping and a lack of available training opportunities. There are also barriers that are specific to some older workers. For example, some older workers may be in poorer physical health, reducing their ability to continue and progress within manual occupations (Edge et al, 2017; Porcellato et al, 2010), and employers therefore may need to make accommodations for these workers that enable them to achieve progression in these occupations.

Another barrier that is specific to older low-skilled workers concerns their motivation to progress. Depending on personal circumstances and individual preferences, older workers may have – or be perceived by their employer to have – less motivation to progress in terms of their pay or grade, and may see career satisfaction and independence as a form of career progression in itself (Bown-Wilson and Parry, 2013).

In the case of both health and motivation, good communication between the worker and employer is key to ensuring the working relationship continues to benefit both parties. This may be best achieved by promoting close line-manager relationships and prompting conversations that give the worker the opportunity to communicate how they would like to work and what support they require from their employer (Bown-Wilson and Parry, 2013).

This communication will improve the ability of managers to tailor work and workload where possible to the workers' individual ambitions and abilities (DWP, 2013).

As discussed in the introduction, nudges can change the environment in which an individual makes a decision in order to increase the likelihood of the desired response. This could mean making the desired behaviour the default path, for example in general, through automatic enrolment on a pension scheme (Sunstein, 2014). In an organisational context, this principle could be applied to establish an internal policy, whereby employees that reach a certain age or have been with the organisation for a set number of years are automatically booked into a career conversation with their manager. A set of core areas to be discussed during these conversations, such as recommended training opportunities, working hours, or any health issues they wish to highlight to employers, may simplify the meetings and lessen the burden on managers. Automatically enrolling employees for this opportunity means that it becomes more of a burden for the individual to opt out of the career conversation, and so they are more likely to take up the opportunity.

Training opportunities can also be flagged by managers in these career conversations, which may encourage older workers who feel training opportunities are not targeted at them, to make use of them (DWP, 2013). For example, in a study of the financial capability of employees, it was identified that individuals may not have a rational view of the training they require, and of their knowledge gaps (Spiegelhalter et al, 2017). Therefore, leaving older workers to decide for themselves whether they want to participate in training may not lead to desired levels of take-up.

The benefit for employers of supporting older workers is that they retain the knowledge of the employee for longer, and improve their staff retention rate, potentially reducing recruitment costs. Evidence indicates that organisations are more driven to reduce losses than they are to make gains (Cabinet Office, 2016; Samson, 2014), which suggests that an effective way to encourage employers to progress the careers of older workers may be to highlight the costs of staff turnover; particularly amongst longer-serving staff, and the cost of new recruitment. Potential savings on recruitment costs can be substantial with, for example, one social housing provider in England saving £26,000 in recruitment costs in one year as the result of an initiative to retain older workers (Dunnett, 2016). Specifically in the social care sector, retaining older workers may also have the additional benefit of more personalised, consistent and better quality care for customers and employees who better match the demographic of customers, increasing companionship between carer and customer (BITC, 2016).

Another group of underrepresented and low-skilled workers are migrants and refugees. It is well documented that these groups face considerable barriers to both labour market entry and in-work progression. Where migrants and refugees are also part of ethnic and minority groups, they may face conscious and unconscious discrimination from employers (Zschirnt and Ruedin, 2016). Secondly, even where discrimination is not present, research suggests that perceived racism or xenophobia may result in some migrants and refugees disengaging from the workforce (Henry, 2007). A third barrier to career progression for these groups can be lower levels of linguistic proficiency compared to other demographics which may limit the roles open to them within organisations (Johansson and Sliwa, 2016; Piller and Takahashi, 2011).

The ORGANISER framework highlights that organisations can be influenced by appealing to their desire to improve their organisational reputation (Cabinet Office, 2016). This method was used to increase the number of women on the board of FTSE 100 companies to improve gender diversity (see Case study 6); and to encourage the drinks industry to take steps to reduce irresponsible drinking (see Case study 1); and could also be used to promote the career progression of low-skilled groups (Cabinet Office, 2016). Public commitments to recruit and integrate low-skilled migrants and refugees into organisations could also support the organisation's corporate social responsibility strategy and/or diversity management (as well as addressing skills gaps/shortages and other organisational challenges). Initiatives to be introduced to achieve this could include a sector-wide league table of recruitment and training offerings targeted at low-skilled migrants and refugees.

Case study 6: Using public league tables to promote gender diversity on FTSE 100 Boards

Organisations will want to protect their public reputation and image as this can ultimately impact their bottom line. The Department for Business, Innovation and Skills made use of this to nudge FTSE 100 companies to include more women on their boards, by publishing regular reports on the representation of women on boards, which included a ranking of companies in a league table. This included recognition of particularly successful organisations.

Within five years of the initiative, there were no longer any all-male FTSE 100 Boards and the target of 25 per cent female representation was met.

Cabinet Office (2016)

Networking opportunities, combined with training such as those discussed above and in Case study 5, can also be used in this context to encourage employers to support language training for low-skilled migrant and/or refugee workers. Hosting language training opportunities that invite workers from other organisations in the supply chain or client organisations can help to promote organisational relationships of benefit to both worker and employer.

However, organisational level commitment to promoting career progression may not be sufficient to overcome individual unconscious bias that may exist within the organisation. An Inclusion Nudge, such as the use of group interviews to reduce cognitive bias at interview, could be an effective intervention to overcome this (see Case study 7).

Box 7: Using group interviewing to overcome hiring and promotion bias

The London Organising Committee of the Olympic and Paralympic Games (LOCOG)

Diversity was a priority for the workforce of the London Olympic Games, and this was achieved with significant success. For example, 36 per cent of those hired were previously unemployed, while 40 per cent were from a black, Asian or minority ethnic background. Additionally, 36 per cent were aged under 30 and 15 per cent aged over 50.

One way in which this was achieved was through use of an Inclusion Nudge to reduce bias in their recruitment processes. The key intervention was to use group interviews with five to eight candidates and an interview panel instead of interviewing candidates individually. Research has shown that group assessment highlights how individuals interact in groups and focuses interviewers' assessment on their skills, rather than their individual characteristics. This technique could be applied to internal promotion and evaluation (as well as recruitment) to overcome bias in career progression decisions.

(Nielsen and Kepinski, 2016)

Finally, in order to overcome the issue of some low-skilled workers such as refugees, and/or migrants disengaging on the basis of perceived racism or stereotyping, organisations could consider implementing comprehensive awareness campaigns. Evidence suggests that individuals can be significantly influenced by awareness of cultural norms, and communicating expectations to all employees that individuals from disadvantaged backgrounds must be supported may be effective in overcoming discrimination, both real and perceived (Fehr et al, 2016). Workplace champions, such as senior directors, have also been found to be an effective medium to share information and guidance throughout an organisation, which builds on organisations' propensity to be more effectively influenced by trusted sources (Cox et al, 2012; Cabinet Office 2016). Senior leaders can also serve as role models for promoting the progression of particular underrepresented groups.

5 Recommendations and conclusions

This review is intended to support the practical implementation of employer initiatives to promote career progression among low-skilled workers. Consideration of the barriers to in-work progression, alongside the key messages from the behavioural insight literature, has enabled us to present a number of recommendations on how best to encourage employers to improve career progression for the low-skilled.

Ten recommendations are set out below that could be followed to improve career progression for the low-skilled. The recommendations are divided into external and internal recommendations. The former are designed to be implemented by an external party to encourage organisations to support career progression for the low skilled. The internal initiatives are recommendations that employers could introduce within their organisation to support better progression for low-skilled workers. As a whole these recommendations offer suggestions for how to encourage more widespread take-up of employer initiatives to support career progression. To create a strong business case for intervention these recommendations should be tailored to align with specific business aims. Additionally, it should be highlighted to employers that initiatives to improve career progression can be simple and cost-effective.

Recommendations for external initiatives

1. **Link improving career progression for low-skilled workers to business aims by building a solid business case.**

   Employers are more likely to endorse an initiative if it can be shown to contribute to achieving business aims. To this end, one could make the business case for in-work progression by, for example, linking it to talent and diversity management, the need to fill in skills gaps and shortages through upskilling, potential for increasing productivity, innovation, and creativity, and possibly lowering absenteeism and turnover.

2. **Provide a platform for organisations to make public statements about promoting the progression of low-skilled workers, and publically benchmark organisations.**

   Organisations may be motivated to take action in order to support their corporate social responsibility strategy, and to endorse initiatives which have the potential to highlight them favourably alongside competitors. For example, the Business in the Community awards in the UK provide a high-profile opportunity for companies to showcase good practice in human resource management and/or employee engagement.

3. **Fit the intervention to the operating environment, and ensure it can be accommodated within the existing business landscape, eg resources, regulations.**

All organisations operate under some level of constraint, such as time or resource, and interventions should be designed to work within these parameters.

4. **Identify individuals and/or sector bodies or other umbrella organisations who can act as champions for the initiatives**

Organisations are likely to be influenced by trusted sources, so identify key individuals or sector leading organisations who can promote the initiative to target organisations.

5. **Combine training opportunities with sector-wide or supply chain relationship-building opportunities**

Organisations are often dependent on relationship networks and supply chains, and combining training with opportunities to build or enhance such business relationships could increase employer support for training initiatives. Creating networks of organisations to provide training also helps smaller organisations to overcome the prohibitive costs of providing tailored training for a small number of employees.

Recommendations for internal initiatives

1. **Introduce internal awareness campaigns of organisational commitments to encourage career progression for low-skilled workers**

Individuals are influenced by contextual social norms so awareness campaigns to ensure all employees are aware of the initiative may improve their compliance with the strategy.

2. **Use line manager relationships to encourage low-skilled workers to take up optional training opportunities**

Employees are more likely to take part in training if the opportunity is suggested by a known colleague or peer.

3. **Provide inter-generational engagement opportunities**

Interaction between older and younger workers may increase the engagement of younger workers and promotes knowledge-sharing between the generations.

4. **Establish default career conversations for older low-skilled workers once they reach a certain age**

Both the worker and the employer benefit from the opportunity to discuss options for flexible working or changing roles, which may provide more scope for further career progression, rather than creating a cliff-edge into retirement.

5. **Use group evaluation in recruitment and promotion assessments**

Group evaluation has been shown to increase focus on behaviours rather than on individual characteristics, reducing unconscious bias.

Annex 1 methodology

This literature review was informed by a search of academic and non-academic literature and websites.

To identify academic sources, a broad range of search terms were used to identify relevant literature in academic databases through the University of Brighton. The search strategy was also designed to include key published material (books; academic journals; research reports; policy documents and statements) and grey literature (including unpublished research reports; material from websites, including employer and NGO websites, as well as websites that focus specifically on progression in employment). The scope of the review was mainly limited to literature dating from 2008 onwards.

The literature on behavioural insights in relation to organisations was limited, with most literature focused on application of nudge theories to individual citizens, rather than groups of individuals. This was overcome by focusing on studies that looked at low-skilled workers in particular and using the lens of the ORGANISER framework (Cabinet Office, 2016) to identify which aspects of behavioural insights theory were most relevant.

Because of the limited nature of the literature, it was difficult to pick out many sector-specific examples, but where these were found they have been discussed in the text.

Annex 2 the nine themes of ORGANISER

The Nine Themes of ORGANISER			
Theme		**Brief description**	**Overarching suggested action**
External	Operating environment	Organisations operate in an environment characterised by a complex set of laws, regulations, taxes, and other influences that shape behaviour.	Map how the operating environment is enabling or constraining organisational behaviour and how this can affect your policy or issue.
	Relationships	Organisations exist within a network of relationships – with suppliers, customers, shareholders and others – that influence behaviour.	Identify most important network members and assess how your respective interests align and identify potential entry points for influence.
	Gaining advantage & reputation	Organisations pursue some sort of comparative or competitive advantage relative to others with which they either compete or compare themselves.	Assess whether your policy or issue can benefit from benchmarking similar organisations against each other
Internal	Aims	Organisations always have an aim or a goal or a purpose; and this aim shapes and helps to explain behaviour.	Frame your policy so it aligns with known organisational aims and capitalise on how your policy may positively affect or enhance organisational aims
	Norms & organisational culture	Organisations have norms – a culture, rules, an ethical framework, a sense of their own identity – that explain and influence behaviour.	Frame policy to align with internal organisational norms/values; and assess what shift in values/norms might be necessary to enable your policy to be more successful
	Internal structures	Organisations have an internal structure – leadership, teams, a more-or-less explicit distribution of power, a varied mechanism of making decisions – that shapes behaviour.	Target policies at the right level of decision makers focusing where responsibility for implementation resides within target organisations
Decision-making processes	Strategic processes	Organisations tend to be more strategic and slower in their decision-making than an individual; they are slower;. This can be positive, by softening extreme positions; or can be negative, creating a 'group-think' situation that reinforces an extreme position.	Gather evidence on decision-making by the organisation(s) and assess whether it is possible to influence any factors of negative or biased strategic decision making via your policy or issue.
	Estimation	Organisations are constrained by time and resources and use heuristics and rules of thumb – best estimates – to make decisions.	Make things easier and design implementation of policies to go with the grain of behaviour by accounting for organisational constraints and short-cuts.
	Relying on trusted sources	Organisations rely on trusted sources, in particular, to provide information, insight and judgment when making decisions.	Secure the buy-in from and use, where possible, trusted sources to deliver messages relating to your policy or issue.

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