

# YOUTH EMPLOYMENT IN THE UK 2021

Report

November 2021

The CIPD is the professional body for HR and people development. The registered charity champions better work and working lives and has been setting the benchmark for excellence in people and organisation development for more than 100 years. It has more than 160,000 members across the world, provides thought leadership through independent research on the world of work, and offers professional training and accreditation for those working in HR and learning and development.



















### Report

### Youth employment in the UK 2021

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## **Executive summary**

Preparing young people for the world of work is key to long-term productivity and competitiveness. As well as being critical to the UK's economic future, recruiting and developing young people benefits organisations now through improving workforce diversity, bringing in new ideas and skills, and helping to build talent pipelines.

Supporting young people to navigate the increasingly complex world of work and find jobs and fulfilling careers is a collective responsibility. It requires co-ordinated action from a range of organisations, including policy-makers, educators and training providers, employment support agencies, voluntary and community organisations, business representative organisations and businesses themselves.

Yet, as this research shows, many young people think they did not receive enough support while in education to understand and prepare for their future careers. Alongside this, too many young people are dissatisfied with their current job as well as their career progression to date, with poor-quality line management and a lack of effective training programmes identified as the major factors holding them back.

#### **Key findings**

#### The qualifications young people hold are seen as more necessary to get jobs, than do jobs

The majority of those surveyed hold degree-level qualifications. Over a quarter think that they are overqualified for their current role, rising to a third of those educated to degree level and above. The qualifications young people hold are viewed as more necessary to get their current job, rather than carry out their job effectively.

Of those who attended university, over half would have considered an apprenticeship as an alternative route if it had been available.

#### Most young people participate in paid work at some point during their education

Paid work during education is seen as more beneficial for developing employability skills as opposed to gaining subsequent employment. However, those who did combine work and study are much less likely to be currently unemployed compared with those who didn't.

Most young people report taking part in work experience organised by their school or college. Over a quarter of young people rated the quality of their work experience placement as either low or very low; however, those who did work experience more recently were most likely to rate it positively.

#### Most young people do not believe they received high-quality careers advice at school or college

While the majority of young people received some type of careers advice and guidance in education, just a fifth report that the guidance they received was high quality. Further, the majority of young people think that their school or college did not spend enough time helping them understand future career pathways or options. There are clear differences by socioeconomic background, with young people from less advantaged backgrounds less likely to have received careers guidance and those who did being more likely to rate it as poor.





















#### Only half of young people surveyed received a face-to-face careers guidance interview at school

Despite the importance of face-to-face careers guidance, only half of young people reported receiving a face-to-face careers guidance interview at school. Of those who did receive this, just 41% report that this was effective in helping them understand and plan their next steps into either further education, training or work. Young people from less advantaged backgrounds were more likely to rate the guidance they received as not effective compared with their more advantaged peers.

Survey results show that most help and support received at school or college was on educational/academic options, with just 29% reporting careers help and support.

#### Half of unemployed young people have been out of work for over a year, and half of those haven't accessed support services

Of those surveyed, under one in ten were currently unemployed and, of this group, half had been unemployed for 12 months or more. Only half of unemployed respondents had accessed support services to help them find work. Overall, 42% of those who are unemployed have applied for ten jobs or more, and the majority of young people who have applied for positions and have been interviewed did not receive any feedback on why they weren't successful.

Just over half of respondents are satisfied with their job, with those working in wholesale and retail reporting both the lowest job and life satisfaction levels While just under two-thirds of respondents are satisfied with their life currently, only just over half are satisfied with their main job. Rates of job satisfaction vary by industry, with the lowest rates of job satisfaction being in wholesale and retail and highest being in education and healthcare.

#### Over half of employed young people have met or exceeded their career expectations to date; those who haven't cite poor-quality line management as the major factor holding them back

Overall, respondents were broadly positive about career progression. However, 29% of young people reported that it had failed to meet their expectations, with poor-quality line management, lack of effective training programmes and access to graduate programmes as the most commonly reported barriers.

#### Over two-fifths of young people believe the pandemic has harmed their long-term career prospects

The survey results find that 43% of young people feel the pandemic has harmed their long-term career prospects, rising to over half of workers aged 18 to 21 years old. Younger workers are also more likely to report the negative impact of homeworking, are less likely to feel they can work without distractions and more likely to feel they are missing out on social connections. This age group are the least likely to feel confident that they are able to achieve their future career aspirations.

#### **Conclusions and recommendations**

The survey results reveal that too many young people did not receive adequate support while in education to prepare for the world of work. For many, these challenges extend into the workplace, with poor line management and a lack of effective training programmes holding them back from developing their careers and progressing at work. The COVID-19 pandemic has also had a negative impact on young people: for some it has resulted in a period of sustained unemployment with potentially damaging consequences for their future earnings and progression, while others have suffered from worsened mental health as a result, as well as concerns over their long-term career prospects.





















This is why the CIPD has launched its <u>One Million Chances campaign</u>, which aims to get employers to create a million opportunities for young people (aged 16–30) – be it through jobs, internships, work experience, apprenticeships, T-Levels or the Kickstart Scheme. The aim is to help undo the damage done by COVID-19, support young people in building fulfilling careers, and ensure that organisations have the skills they need to succeed.

Alongside supporting young people to access job or training opportunities, there is also more that we can do collectively while they are still in full-time education, to help smooth the school-to-work transition. The UK Government, employers and individuals can all play a role in improving the quality of careers education and help open doors for young people. Good-quality careers advice is essential to help limit the damage that COVID-19 has done to many young people's prospects – and to help them make more informed choices given the rapid pace of change in the world of work due to automation, for example. The CIPD is calling for:

- the Government to increase funding for careers advice, so that every young person is guaranteed at least one face-to-face interview with a qualified career guidance professional by the age of 16
- employers to collaborate with local schools and colleges to ensure young people understand and are equipped with the skills that businesses need, so they are ready to join the workforce when they leave education
- more senior professionals from all sectors to volunteer for the Enterprise Advisers
  programme in England, run by The Careers & Enterprise Company. It matches individuals
  with a school to help them develop a careers advice strategy and connect them with
  local employers.

## Introduction and methodology

While the economy is recovering from COVID-19, official figures show there were 243,000 fewer young people (aged 16–24 years old) in employment in the UK in May to July 2021 compared with January to March 2020.¹ Conversely, it has also been reported that many employers are struggling with staff shortages, highlighting the need for more organisations to invest in young people to bolster their talent pipelines.

To shine a light on the challenges facing today's youth, the CIPD carried out an online survey, via a YouGov panel of over 2,000 young people aged between 18 and 30 years of age, who live in the UK. The results explore young people's attitudes and experiences of education and accessing employment. Fieldwork was conducted between 2 and 20 July 2021, and results have been weighted and are representative of 18–30-year-olds in the UK.

The aim of these findings is to:

- provide an insight into the needs of young people, both in education and as they start out in their careers
- show employers how to help young people understand their employment options, how
  to obtain the skills they need to enter the workplace and provide advice on how to
  ensure their career aspirations are met so that employers can continue to build talent
  within their organisations.



















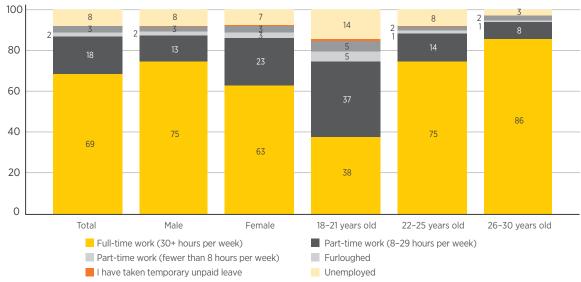


### 3) Educational background and current employment status

The majority of respondents are in full-time employment, but the youngest age group is more likely to work part-time or be out of work

Almost 90% of young people are currently working, with the majority working in fulltime roles. Currently 8% are unemployed and 3% are furloughed. There are differences by gender and by age, with higher rates of part-time work among women and those aged 18-21, and higher levels of unemployment for those aged 18-21 (see Figure 1).

Figure 1: Employment status (% of respondents)



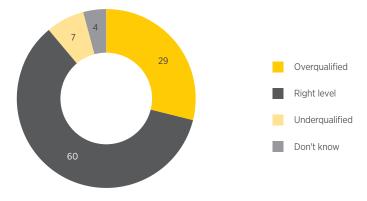
Base: total: 2,064; male: 1,053; female: 1,011; 18-21 years old: 578; 22-25 years old: 640; 26-30 years old: 846

#### The majority of those in employment feel they have the right level of qualifications for their current role

The majority of young people surveyed hold degree-level qualifications, with 65% qualified to NVQ Level 4 and above, 27% holding a qualification at NVQ Level 3 (A level or equivalent), and the remaining 8% having qualifications at NVQ Level 2 and below (GSCE level or lower).

Of those in employment, the majority (60%) feel that they have the right level of qualifications for their current role, 29% think they are overqualified and 7% think that they are underqualified for their current role (see Figure 2).

Figure 2: Qualification match and mismatch for current role (% of respondents)



Base: all those in employment: 1,913





















Being overqualified has a negative impact on an individual's earnings, with previous research suggesting that a poor initial match when entering the labour market can have a long-term persistent impact on income, as well as increasing the likelihood of future spells of unemployment.<sup>2</sup> Underqualification, on the other hand, has been shown to increase levels of workplace stress and reduce employee job satisfaction and productivity.<sup>3</sup>

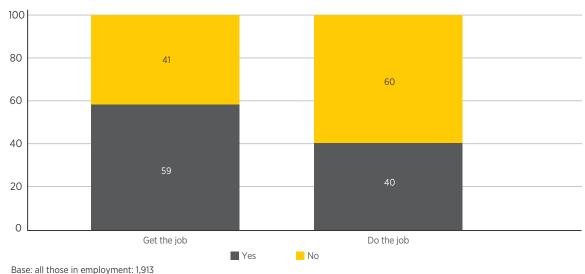
Overqualification is more common among those with higher-level qualifications: 33% of those educated to NVQ Level 4 and above think they are overqualified for their current role compared with 23% of those educated at NVQ Level 3 and 17% of those educated at NVQ Level 2 and below. Rates of overqualification are also higher among those from less advantaged backgrounds (social grade C2DE) compared with their more advantaged peers (social grade ABC1).

Levels of qualification mismatch also vary by industry, with levels of overqualification highest among those working in wholesale and retail (47%) and hospitality and leisure (40%), and underqualification more prevalent among those working in manufacturing (11%) and business services (11%).

#### Qualifications are seen as more necessary to get jobs than to do jobs

The qualifications that respondents hold are seen as more necessary to *get* their current job rather than to carry out their job effectively (see Figure 3). There is substantial variation by sector, with those working in the public sector more likely to report that their qualifications are needed to both get the job (71%) and do the job (48%), compared with those working in the private sectors (figures of 53% and 35% respectively).

Figure 3: Whether educational qualifications were necessary to get the job versus do the job (% of respondents)



### The majority of university-educated young adults would have considered an apprenticeship as an alternative route to employment

Over half of young adults who attended university would have been open to an apprenticeship as an alternative route if it had been available in their subject area of interest (see Figure 4). Young people from less advantaged backgrounds were more likely to report that they would have been open to an apprenticeship compared with their more advantaged peers (66% compared with 48%).











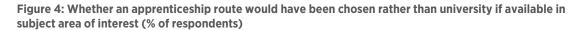


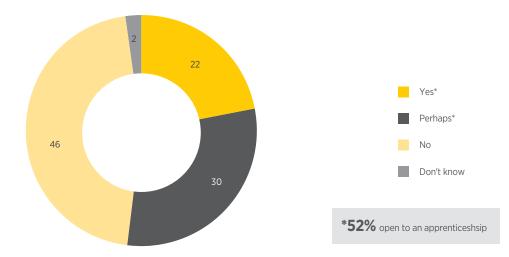












Base: all those who attended university: 1,195

### **Employment and work** experience during education

There are clear benefits for those who combine work with full-time education. It provides young people with real-world experience of the workplace, builds skills and helps smooth the transition from education into employment. Previous research has shown that young people who combine work and study are less likely to become NEET (not in education, employment or training) when they leave full-time education and they are more likely to earn more in the future.4 Alongside this, it can help overcome one of the major barriers that hold young people back when entering the labour market - a lack of work experience - due to some employers' preference for experienced workers.5

Most young people have had experience of paid work while in full-time education The majority of young people surveyed (72%) reported that they had experience of some type of paid work while in full-time education. However, there were clear differences between genders, by social class, and by ethnicity:

- Women (77%) were more likely than men (67%) to have combined work and study.
- Those from social grades ABC1 (73%) were more likely to have experience of paid work than those from social grades C2DE (64%).
- BAME young people were less likely to have had experience of paid work (65%) in comparison with young people from a white ethnic background (72%).

The survey results show that young people who did not have experience of paid work while in full-time education are more likely to be currently unemployed. Just 39% of those currently out of work had prior experience of paid work while in full-time education, compared with 75% of those who are currently employed.















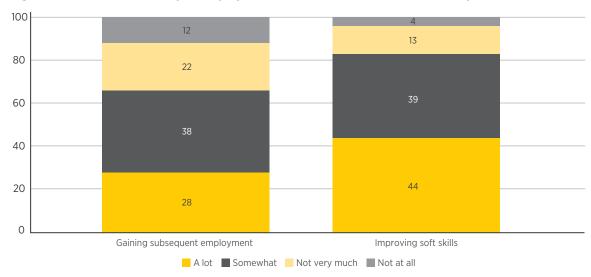




### Paid work while in education was seen as more beneficial in improving soft skills than landing later jobs

The majority of young people who had experience of paid work while in full-time education report that it benefited them in gaining subsequent employment either a lot or somewhat (see Figure 5). However, a greater proportion reported that it helped improve their soft skills, such as teamwork and communications skills, with 83% reporting that it benefited them in this way a lot or somewhat.

Figure 5: Perceived benefits of paid employment while in full-time education (% of respondents)



Base: all those who had experience of paid employment while in full-time education: 1,479

### Most young people report taking part in work experience organised by their school or college

Work experience has been shown to have positive benefits for young people, with those who participated reporting a positive impact on employability skills, motivation in education, career decision-making and knowledge of the world of work.<sup>6</sup>

The majority of young people surveyed (72%) reported participating in work experience opportunities – defined as during term time with a duration of one week or longer – when aged between 14 and 19 years of age. However, there were differences in participation by gender, age, ethnicity and social grade, as demonstrated in Figure 6.

The findings were that:

- older age groups (26-30 years old) were more likely to report taking part in work experience compared with younger age groups, with 18-21-year-olds being the least likely to have participated
- BAME respondents were less likely to have participated compared with white respondents
- young people from less advantaged backgrounds were slightly less likely to have participated in work experience compared with their more advantaged peers.













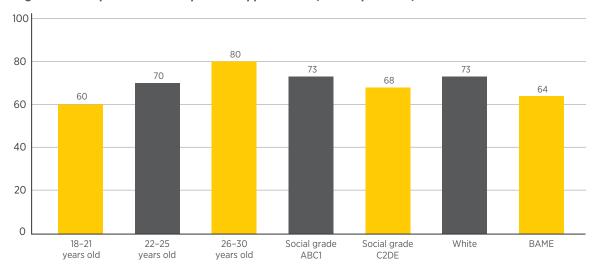








#### Figure 6: Participation in work experience opportunities (% of respondents)

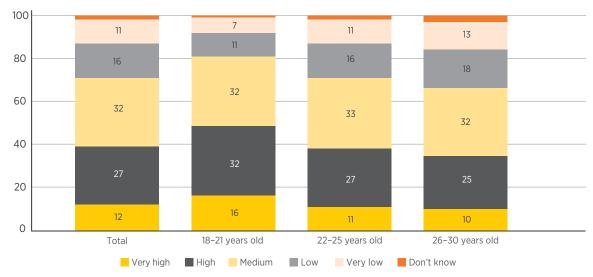


Base: 18-21 years old: 557; 22-25 years old: 632; 26-30 years old: 836; social grade ABC1: 1,640; social grade C2DE: 386; white: 1,806; BAME: 203

Over a quarter of young people rated their work experience placement as low quality, but those who did work experience most recently rated it more highly While most young people have participated in work experience opportunities organised by their school or college, only 39% rate the quality of their work experience placement as high or very high. On the other hand, over a quarter (27%) rate the quality of their placement as low or very low (see Figure 7).

Encouragingly, while younger age groups are less likely to have participated in work experience placements overall, those who have are more likely to rate it highly (48% of 18-21-year-olds vs 38% of 22-25-year-olds and 35% of 26-30-year-olds).

Figure 7: Quality of work experience opportunities while in school or college (% of respondents)



Base: total: 1,451; 18-21 years old: 334; 22-25 years old: 444; 26-30 years old: 673





















# **5 Education-based careers guidance**

High-quality careers information advice and guidance and integrated careers education are vitally important in ensuring that young people can make informed choices about their educational and career options and pathways.

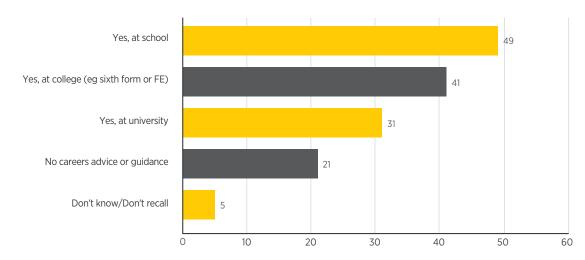
Overall, the vast majority of young people surveyed received some sort of careers advice or guidance while in education (79%), as shown in Figure 8. Advice was most commonly received at school, followed by college and university. However, it is concerning that just over a fifth reported receiving no careers advice or guidance at all.

Looking at differences between respondents reveals that:

- men were more likely than women to have received careers guidance: at school (51% vs 48%) and at university (34% vs 29%)
- BAME respondents were less likely to have received school-based careers advice (43% vs 50% of their white counterparts)
- those from lower socioeconomic backgrounds were more likely to have not received any careers advice compared with their more advantaged peers (27% compared with 19%).

Those who received any advice report higher job satisfaction (57% vs 48%) and higher life satisfaction (66% vs 59%).

Figure 8: Whether any careers advice or guidance was received at school, college or university (select all that apply) (% of respondents)



Base: 2,025 respondents

### Just under a fifth of young people rate their careers advice and guidance as being high quality

While the majority of young people received some type of careers advice and guidance in education, just a fifth report that the guidance they received was very high or high quality. Conversely, 37% of respondents reported that the quality was low or very low (see Figure 9).

Encouragingly, those who have left education more recently (those aged 18–21 years old) are less likely to say that the quality of careers advice and guidance received was poor compared with those in older age groups.













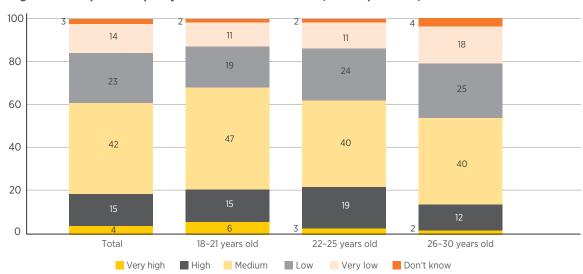












Base: total: 1,506; 18-21 years old: 420; 22-25 years old: 484; 26-30 years old: 602

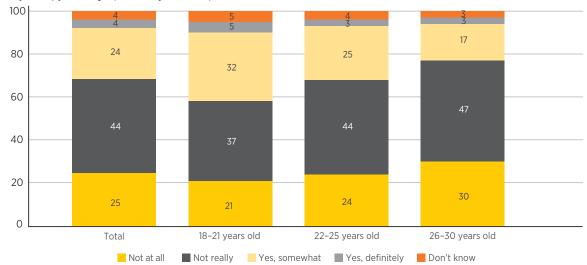
Young people from less advantaged socioeconomic backgrounds are more likely to rate the quality of careers advice and guidance as low or very low (47%) compared with their more advantaged counterparts (35%).

#### Just over a quarter of young people believe their school or college spent enough time helping them understand future career options and pathways

The majority of young people think that their school or college did not spend enough time helping them understand future career pathways or options, with 25% reporting 'not at all' and 44% 'not really'. There are clear differences by age, with those who have left the education system more recently being slightly more positive than older age groups (see Figure 10).

Young people from more disadvantaged backgrounds were more likely to report that their school/college did not spend enough time helping them understand future career options compared with their peers from more advantaged backgrounds (figures of 79% and 67% respectively). Results, on the other hand, are slightly more positive for those from a BAME background compared with their white counterparts, with BAME young people more likely to say that their school or college spent enough time (40% compared with just 26%).

Figure 10: Whether school or college spent enough time helping students to understand future career options/pathways (% of respondents)



Base: total: 1,888; 18-21 years old: 520; 22-25 years old: 592; 26-30 years old: 775





















### Only half of young people reported receiving face-to-face careers advice and guidance at school

'We believe that face-to-face guidance is an integral part of good quality careers guidance and we recommend that a minimum of one personal careers interview with an independent adviser should be available for every young person.'<sup>7</sup>
(House of Commons Education Committee 2013)

Despite the importance of face-to-face careers guidance, only half of young people reported receiving a face-to-face careers interview at school (49%). A slightly higher proportion of those who have left education more recently – those aged 18–21 – had received a face-to-face careers guidance interview compared with older ages groups, a figure of 49% for those aged 22–25 compared with 43% of those aged 26–30.

Face-to-face careers guidance appears to be less common for those who have attended college, with just 30% reporting they had received a careers interview. Again, those aged 18–21 were more likely to report receiving a face-to-face careers guidance interview at college compared with those aged 22–25 and those aged 26–30.

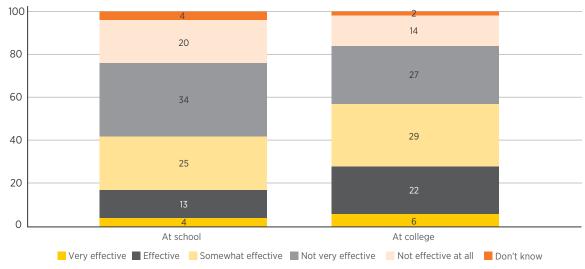
### Over half of young people surveyed rate the face-to-face careers guidance they received at school as not effective

Of those who have received face-to-face careers guidance at school, just 41% report that the guidance was effective (very effective/effective/somewhat effective) in helping them understand and plan their next steps into either further education, training or work (see Figure 11). Conversely, 55% of young people view the face-to-face careers guidance received as not effective, with 20% saying that it was not effective at all.

Looking at the differences between respondents reveals that:

- young people from less advantaged backgrounds were more likely to rate the guidance they received as not effective (67%) compared with their more advantaged peers (52%)
- those who have recently left education (18–21 years old) were somewhat more positive about the effectiveness of face-to-face guidance received at schools compared with older age groups, with 45% rating it as effective compared with 37% of those aged 26–30
- BAME respondents were also more likely to rate the guidance they received as effective (56%) compared with their white counterparts (40%).

Figure 11: Perceptions of effectiveness of face-to-face careers advice and guidance (% of respondents)





















While face-to-face guidance at college is less commonly reported by respondents, its effectiveness was rated more positively compared with school-based advice and guidance, with 57% rating it effective. Differences between respondents mirror the results for schoolbased face-to-face guidance.

#### The most common support received was on applying to university

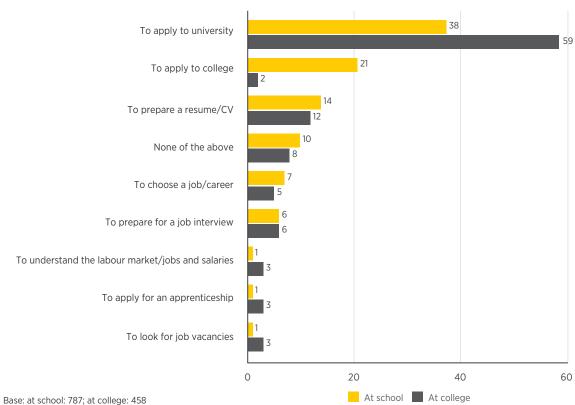
Figure 12 shows the types of support received at school and college on career and educational options. The most commonly reported support received was around applying to university.

Grouping the types of help and support into academic versus careers support shows that:

- at school, 59% of young people report receiving help and support on educational/ academic options, compared with just 29% reporting careers help and support
- at college, 61% of young people report academic help and support, compared with just 29% reporting careers help and support.

It is of some concern that just 1% (rising to 3% at college) of respondents received help and support at school to understand the labour market, jobs and salaries. Likewise, just 1% received help on applying for an apprenticeship at school, which is a missed opportunity given the data from the previous section that showed that 52% of those who attended university would have been open to choosing this route instead if an apprenticeship had been available in their subject area of interest.

Figure 12: The type of help and support received from school or college on career and educational options (% of respondents)























# 6 Worklessness and unemployment among 18-30-year-olds

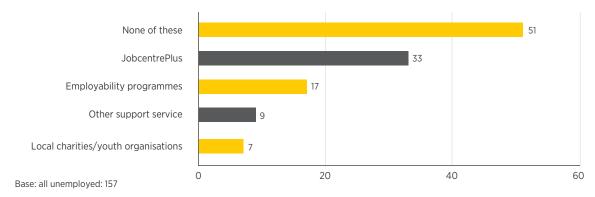
While the economy is recovering from COVID-19, official figures show there were 243,000 fewer young people (aged 16-24) in employment in the UK in May to July 2021 compared with January to March 2020.8

A period of unemployment when young can have a profound impact on future employment and earnings potential,<sup>9</sup> but it has also been shown to have wider-reaching and persistent negative impacts. For example, evidence from the 1981 recession showed that the impact of youth unemployment was still seen two decades on – with those who have experienced a period of unemployment recording poorer physical and mental health and decreased life and job satisfaction two decades later compared with those who had not.<sup>10</sup>

### Half of unemployed young people have been unemployed for over 12 months, and over half of those have not accessed support services

Of those surveyed, 8% of respondents were currently unemployed and, of this group, half had been unemployed for 12 months or more. It is concerning that just over half of unemployed respondents had not accessed support services to help them find work (see Figure 13). Where services were accessed, the most commonly used was Jobcentre Plus (33%).

Figure 13: Support services accessed to help job search (% of respondents)



### When applying for jobs, less than a third of young people received feedback on an unsuccessful application

The research shows that, while the majority of those unemployed have applied for ten jobs or more, almost a fifth have not applied for any jobs (see Figure 14).

Accessing support services appears to encourage a higher quantity of job applications, with over half (51%) of those having used such services applying for ten or more jobs in the past three months, versus 33% of those who have not. Of those who have applied for positions, just over half (54%) reached the interview stage for at least one of the opportunities.

It's good practice for employers to provide feedback to candidates about why their job application had not been successful and this is especially the case for those that reach interview stage. Therefore, it is of some concern that the majority of young people (70%) who have applied for positions and have been interviewed did not receive any feedback on why they weren't successful. Just 4% received feedback on all of their applications post-interview, 9% on the majority of their applications and 18% received feedback on some of the positions they applied for.















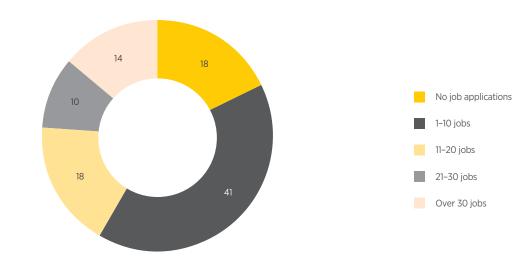












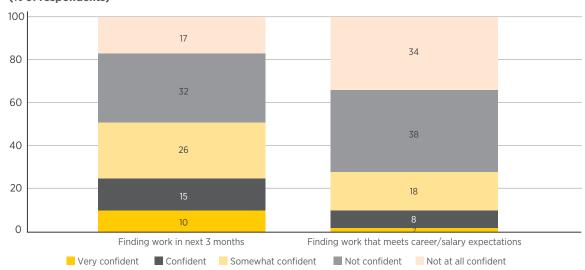
Base: all unemployed: 157

#### Half of unemployed young people are confident that they'll find work in the next three months, but fewer think their career ambitions or salary expectations will be met

The majority of young people are at least somewhat confident about finding work in the next three months (see Figure 15).

However, the level of confidence drops when asked about finding work that meets both their career ambitions and salary expectations, with just 28% of young unemployed respondents being at least somewhat confident about finding work that meets career and salary ambitions. Conversely, the majority (72%) are not confident of finding work that meets their career ambitions and salary expectations in the next three months.

Figure 15: Confidence on finding work versus finding work that meets career ambitions and salary expectations (% of respondents)



Base: all unemployed: 157



















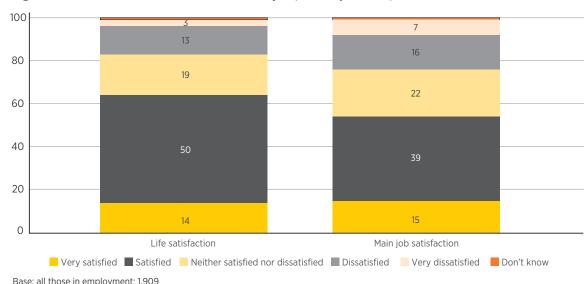


## 7 Job security and job-life satisfaction

The level of employee job satisfaction is important not only for individuals but also for organisations, the wider economy and society. Individuals who are satisfied with their jobs and who feel secure in their organisations experience lower levels of stress. They are less likely to want to leave their jobs and are more productive, which means, in turn, that employers benefit from reduced turnover and higher levels of productivity.

Just over half of respondents are satisfied with their job, with those working in wholesale and retail reporting both the lowest job and life satisfaction levels
Figure 16 sets out rates of life and job satisfaction among 18–30-year-olds. Overall, just under two-thirds of respondents are currently satisfied with their life, and over half are satisfied with their main job. Rates of job satisfaction vary by industry of employment, with the lowest rates of job satisfaction in wholesale and retail (39%) and highest in education and healthcare (63%).

Figure 16: Level of satisfaction with life and main job (% of respondents)



Most young people are confident that they'll keep their job for at least 12 months, although this varies based on industry, employment type and employment sector

Job security is measured by the respondent's evaluation of how likely they feel it is that they will lose their job in the next 12 months. Figure 17 shows that just 14% of employed respondents thought that it was either likely or very likely that they would lose their jobs in the next 12 months. There are clear differences between employment type, with those in part-time work and those who are currently furloughed less positive about their job security than those currently in full-time work.

Those working in hospitality and leisure are most worried (20%), followed by those in wholesale and retail industries (18%). Public sector employees are more confident than their private sector counterparts, with 67% reporting that they think it is unlikely that they will lose their jobs, compared with 59% in the private sector.













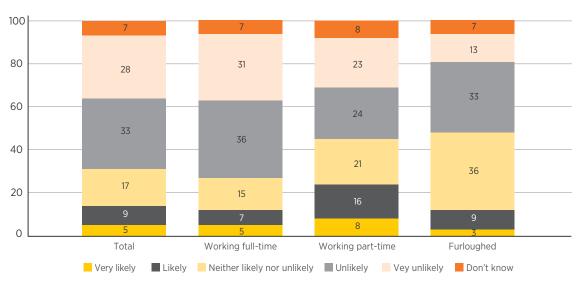








Figure 17: Perceived likelihood of losing main job in the next 12 months (% of respondents)



Base: total (all employed): 1,909; working full-time; 1,422; working part-time: 417; furloughed: 61

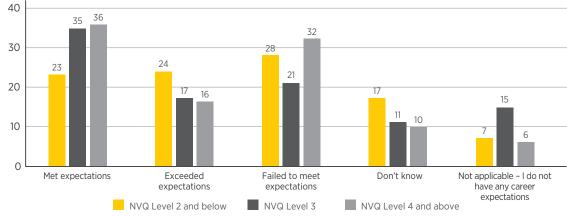
Job security is often considered a central feature of job quality. It is often found to be one of the strongest predictors of job satisfaction, alongside more intrinsic features of work related to job design. Indeed, the measures are correlated in this survey, with respondents who are concerned about losing their job less likely to report that they are satisfied with their main job (a figure of 40% compared with 62% of those who think it is unlikely that they will lose their job).

#### Over half of employed young people have met or exceeded their career expectations to date; however, those with higher-level qualifications are more likely to report failing to meet expectations

Respondents were asked about the extent to which their career to date has met their aspirations (see Figure 18). Overall, respondents were broadly positive about career progression with over half reporting that it had either met or exceeded their expectations. Responses were broadly similar by age group and gender, although young people from more disadvantaged backgrounds were less likely to report that it had met or exceeded their aspirations (37%) compared with their more advantaged peers (54%).

However, 29% of young people reported that it had failed to meet their expectations, with a higher proportion among those qualified to degree level and above compared with those with lower qualifications.

Figure 18: The extent to which career progression to date has met expectations, by highest level of qualification held (% of respondents)



Base: NVQ Level 2 and below: 132; NVQ Level 3: 466; NVQ Level 4 and above: 1,254

















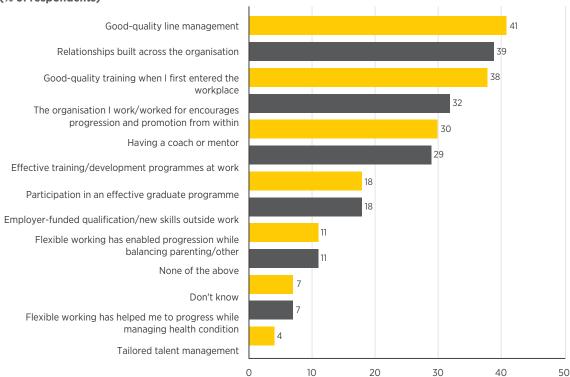




### Effective line management, relationships and training are quoted as the main factors contributing to careers that meet or exceed expectations

The workplace factors identified as contributing to career progression by those whose career expectations have been met or exceeded are set out in Figure 19. Good-quality line management topped the list, followed by building relationships across the organisation and good-quality training.

Figure 19: Workplace factors contributing to career progression meeting or exceeding expectations (% of respondents)



Base: those whose career expectations have been met/exceeded: 977

### Poor-quality line management is cited as the main reason for a career that has failed to meet expectations

The main reasons reported by young people whose career progression to date has failed to meet their expectations are poor-quality line management, lack of effective training programmes and access to graduate programmes (see Figure 20).

There are differences by sector of employment, with poor-quality line management reported as a particular issue for those in manufacturing and construction (42%), and a lack of training programmes more commonly reported as holding back those in education and health care (35%).











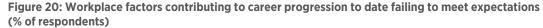














### **Impact of the COVID-19** pandemic

The COVID-19 pandemic has had a profound impact on the labour market. Substantial reduction in economic activity and the consequent drop in demand for labour, alongside social distancing rules, have pushed employers to adapt their working practices. There has been an unprecedented shift to homeworking and, for many, it appears there will be no return to business as usual. A wide range of research, including a YouGov survey and <u>CIPD research</u>, indicate that, after the pandemic, the majority of workers want to continue to work from home at least some of the time, presenting new opportunities for organisations to establish new ways of working.

#### Equal numbers of young people are working from home and from business premises

When asked whether the location of their work has changed as a result of the COVID-19 pandemic, 39% report that they have continued to work on business premises, 39% report that they have changed location and are now working from home, and 16% report working from a mix of home and business premises. Just 6% of respondents report that they were already working from home before the pandemic (see Figure 21).

Young people aged 18-21 were more likely to have continued working from business premises (61%) compared with older age groups, which is likely due to their higher concentration in jobs in wholesale, retail and hospitality.













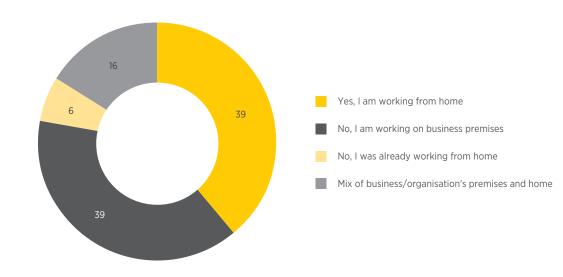












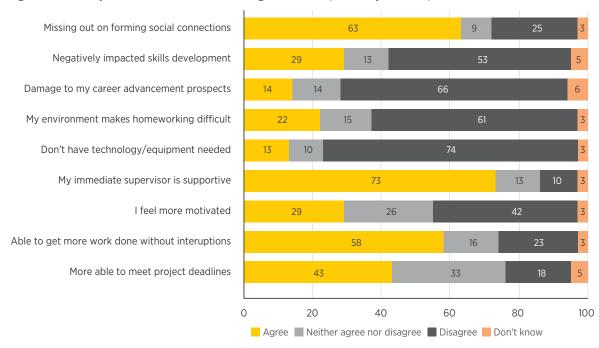
Base: all those in employment: 1,836

#### More than half of young people state that not forming social connections is an issue for those at the start of their careers

Young people who have had to work from home due to the COVID-19 pandemic identify a number of benefits, which include being able to get more work done and being more able to meet deadlines. Encouragingly, almost three-quarters report that their immediate supervisor is supportive, and only a minority report challenges with technology/equipment and their home environment (see Figure 22).

However, many young people are concerned about missing out on forming social connections (63% agree). Social connections are important for mental health but also for career progression, as demonstrated in Figure 19, which showed that building relationships

Figure 22: Consequences and benefits of working from home (% of respondents)



Base: all those whose location of work has changed: 1,003





















was the second most commonly reported workplace factor contributing to young people meeting or exceeding their career progression expectations. Further, although in the minority, 29% of young people feel that working from home during the pandemic has negatively impacted their skills development.

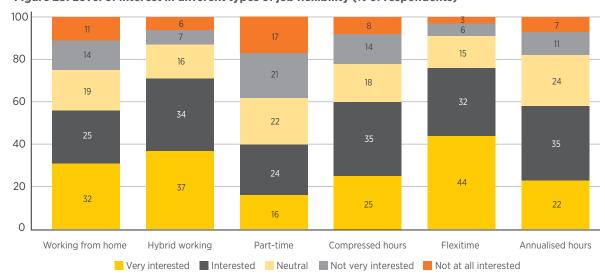
Younger workers (18-21-year-olds) were more likely to identify negative impacts of homeworking compared with those aged 22-25 and 26-30. For example, the youngest workers feel they are missing out on social connections the most (67%) and feel less able to work without interruptions (43%).

#### Hybrid working and flexitime are the most attractive flexible working options for young people in the future

While the pandemic has led to a surge in homeworking for many, evidence shows that other forms of job flexibility declined since the onset of the COVID-19 pandemic. Across the board, the number of people working flexitime, compressed hours, part-time hours, termtime working and annualised hours has reduced significantly since the start of the pandemic. Previous CIPD research has highlighted significant unmet demand for increased job flexibility; for many, the 9-to-5 working day is too rigid and policies such as flexitime (flexible start and finish times), compressed hours and part-time hours would better match people's preferences.

Figure 23 shows that over half of respondents reported that they would be interested in all forms of job flexibility, apart from part-time work, which was selected by 40% of young people. The most attractive options, however, appear to be hybrid working and flexitime. The age of respondents plays a role, with those aged 26-30 more likely to be interested in job flexibility (apart from part-time work) than younger age groups.

Figure 23: Level of interest in different types of job flexibility (% of respondents)



Base: all respondents: 2,064

#### Over two-fifths of young people believe the pandemic has harmed their long-term career prospects

The survey results find that 43% of young people feel the pandemic has harmed their long-term career prospects (see Figure 24). This may be because they've lost their job, the industry or organisation they want to work in now has fewer openings, or working from home has meant they've missed out on networking and development opportunities.

A higher proportion in the youngest age group feel that it has damaged their long-term career prospects compared with those aged 22-25 and those aged 26-30.













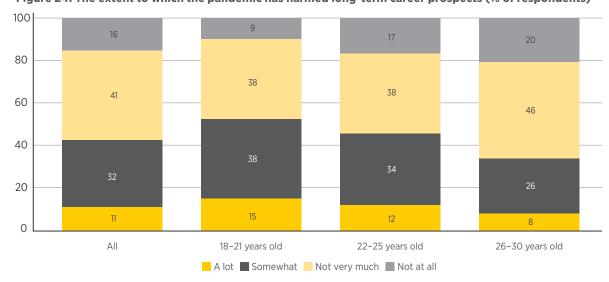








Figure 24: The extent to which the pandemic has harmed long-term career prospects (% of respondents)



Base: total: 2,064; 18-21 years old: 578; 22-25 years old: 640; 26-30 years old: 846

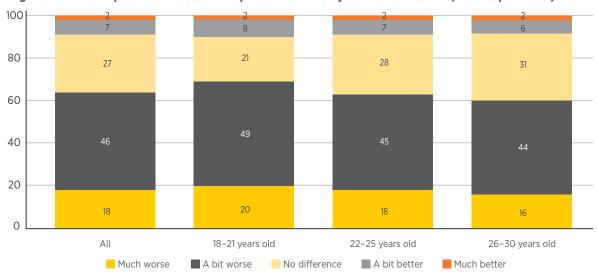
There are also differences depending on which industry respondents work in, with a higher proportion of those working in hospitality and leisure (63%) and wholesale and retail (52%) more likely to identify negative long-term impacts, probably due to these sectors being particularly hard hit by the pandemic and associated lockdowns. On the other hand, 57% feel the pandemic hasn't harmed their prospects, rising to 65% of public sector employees.

### Almost two-thirds of young people say the pandemic has worsened their mental health

The negative impact of the pandemic on mental health has been widely reported. The mental health charity Mind has found that more than half of adults (60%) and over two-thirds of young people (68%) said their mental health worsened during lockdown.<sup>12</sup> Young people and those with pre-existing mental health conditions were particularly affected – and employees who had been furloughed also reported a slight decline in their wellbeing compared with others.

Our survey data confirms this, with 64% of young people reporting that their mental health has worsened as a result of the COVID-19 pandemic (see Figure 25). This figure rises to:

Figure 25: What impact has the COVID-19 pandemic had on your mental health? (% of respondents)



Base: total: 2,064; 18-21 years old: 578; 22-25 years old: 640; 26-30 years old: 846



















- 69% for women
- 69% of those aged 18–21
- 79% of those who are unemployed.

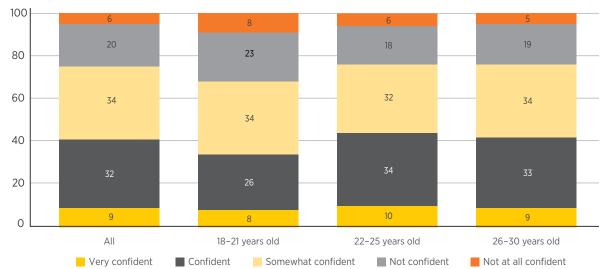
#### Three-quarters of young people are at least somewhat confident they can reach their future career aspirations

The majority of young people are at least somewhat confident that they can reach their future career aspirations (see Figure 26). Conversely, just over a quarter are not confident, with the youngest workers being the least confident, compared with those aged 22-30.

While overall figures show that 74% are confident they can reach future career aspirations, this figure lowers to:

- 63% of those from lower socioeconomic backgrounds, compared with their more advantaged peers (77%)
- 67% of those working part-time (compared with 80% of those working full-time)
- 44% of those unemployed.

Figure 26: How would you rate your confidence about being able to achieve your future career aspirations? (% of respondents)



## **Conclusions**

Preparing young people for the world of work is key to long-term productivity and competitiveness. As well as being critical to the UK's economic future, recruiting and developing young people benefits organisations now through improving workforce diversity, bringing in new ideas and skills, and helping to build talent pipelines. Supporting and encouraging employers to provide opportunities for young people to access employment and training opportunities is vital. This is why the CIPD has launched its One Million Chances campaign, which aims to get employers to create a million opportunities for young people (aged 16-30) - be it through jobs, internships, work experience, apprenticeships, T-Levels or the Kickstart Scheme.

Young people, especially those who have recently left education, were hard hit by the economic impact of the COVID-19 pandemic. While the economy is now recovering, there





















are still over 243,000 fewer young people in employment compared with pre-pandemic levels. The results show that 43% of all young people surveyed feel the pandemic has harmed their long-term career prospects, while half of those who are currently out of work have been so for more than a year.

The evidence presented in this report also demonstrates the importance of supporting young people to develop their skills and progress in work. Good-quality line management, being able to build relationships and networks across the organisation, as well as access to effective training are critical to ensuring that they feel their career aspirations are being met. During the pandemic and with working from home, lack of social connection was seen as difficult for this age group, so practitioners need to think how to tackle this in the future world of work.

The survey also demonstrates that collectively we need to do more to support young people while they are still in the education system to ensure that they can transition more easily into the workplace. It is encouraging that the majority of young people were in some type of paid employment while in education, allowing them to build important essential and transferable skills. However, only a minority thought that their school or college spent enough time helping them understand future career options and pathways, and less than half received a face-to-face careers guidance interview.

The Government, employers and individuals can all play a role in improving the quality of careers education and helping to open doors for young people. Good-quality careers advice is essential to help limit the damage that COVID-19 has done to many young people's prospects - and to help them make more informed choices, especially given the rapid pace of change in the world of work. The CIPD is calling for:

- the Government to increase funding for careers advice, so that every young person is guaranteed at least one face-to-face interview with a qualified career guidance professional by the age of 16
- employers to collaborate with local schools and colleges to ensure young people understand and are equipped with the skills that businesses need, so they are ready to join the workforce when they leave education
- more senior professionals from all sectors to volunteer for the Enterprise Advisers programme in England, run by The Careers & Enterprise Company. It matches individuals with a school to help them develop a careers advice strategy and connect them with local employers.

Even if organisations aren't currently able to provide employment or training opportunities, there are other ways the profession can support young people during this challenging time and help them to navigate the increasingly complex world of work to find jobs and fulfilling careers.

In response to worsening youth labour market conditions, the CIPD relaunched <u>Steps</u> Ahead Mentoring in October 2020. The programme aims to help young people find work by matching them with a CIPD member, who will act as a mentor. Mentors provide practical advice on CVs, applications, interviews and job searching, as well as helping young people improve their confidence, build professional networks, and identify and establish career goals.

CIPD members are also supporting the school-to-work transition through volunteering to be an Enterprise Adviser. The CIPD has partnered with The Careers & Enterprise Company to inspire and prepare young people for the fast-changing world of work. Enterprise



















Advisers are matched with a school or college and support the senior leadership team to develop their career strategy.

Supporting young people in navigating the increasingly complex world of work and finding jobs and fulfilling careers is a collective responsibility. It requires co-ordinated action from a range of organisations, including policy-makers, educators and training providers, employment support agencies, voluntary and community organisations, business representative organisations and businesses themselves.

### **Endnotes**

- 1 <a href="https://researchbriefings.files.parliament.uk/documents/SN05871/SN05871.pdf">https://researchbriefings.files.parliament.uk/documents/SN05871/SN05871.pdf</a>
- 2 McGuinness, S., Pouliakas, K. and Redmond, P. (2017) How useful is the concept of skills mismatch? Geneva: International Labour Organization.
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- 6 www.careersandenterprise.co.uk/media/wknmpwvm/what-works-report-workexperience.pdf
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