From learning to earning – structural and policy issues

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Purpose and structure of what follows:

Lay out the historical background and structural issues that underlie our ongoing problems with transitions.

Argue that the problems have deep-seated roots and are embedded in **BOTH** the education system **and** the labour market. A bit of tinkering will not solve them.

The past is always with us…..

In 1981, the Manpower Services Commission (MSC) launched *A New Training Initiative* (NTI). It set 3 strategic goals for skills policy:

1. **Reform of apprenticeships**
2. **Creation of "a permanent bridge between school and work" for those not entering apprenticeship**
3. Boosting the volume and quality of adult training

NTI started the current policy response to moral panic around the UK 'skills problem' .

Which begat…….

On Objective 2 a massive spend (about £18 billion or more at today's prices) on a succession of interventions and schemes:

1 Year Youth Training Scheme (YTS), 2-Year YTS, Youth Training (YT), and National Traineeships (NT), and Youth Credits.

And, in the event……

None of NTI's 3 objectives has yet been achieved!

Work on apprenticeship reform and adult training is on-going. NTI's aim of a "permanent bridge between school and work" was implicitly abandoned when NT morphed into a new apprenticeship programme.

More broadly, 38 years later……

Here are some of E&T policy problems we haven't solved:

- Vocational qualification structures and design of individual qualification types
- Relationship (parity?) between academic and vocational
- Relationship between schools and FE
- Adult skills/LLL policy
- Adult skills/LLL funding
- HE policy and funding
- Relationship between HE and FE
- Apprenticeship quality and funding
- Apprenticeship design and oversight
- Role of employers in VET policy and delivery
- Role of employers in funding VET

And……

- Collective organisation of employers in relation to VET
- Role of trade unions and social partnership
- Role of individuals
- A school curriculum for C21 life and work
- Role of state (at whatever level)
- Balance between market and system
- Balance between national and local policy making
- **Learning to earning transitions**

It hasn't been for lack of trying…

Institutional reform:

- MSC, TA, TC, NACETT, NSTF, ITBs, NSTOs, ITOs, NTOs, SSCs, SSDA, UKCES, FEFC, LSC, LLSCs, YPLA, EFA, SFA, SEAC, HEFCE, ALI, SEAC, RSPs, NCC, SCAA, QCA, NCVQ, QCA, LENs, TECs, RDAs, Skills Alliance, and so on and on……

Schemes and wheezes:

NVQs, NRA, ILAs, CoVEs, CEE, CPVE, GNVQs, Diplomas, T2G, YOP, YTS, YT, Youth Credits, UfI, Connexions, NTs, MAs, FMAs, AMAs, EMAs, adult basic skills…..(and T levels are on the way!)

And review after review….

- Richard Review
- Cassels Report
- Moser Review
- Kennedy Review
- Higginson Review*
- Leitch Review
- National Skills Task Force
- Wolf Review*
- Beaumont Review*
- Capey Report*
- Dearing Review*
- Tomlinson Review*
- Whitehead Review*
- Fryer Report
- DeVille Report*
- * = about qualification reform

Serial failure?

Is there any substantive area of VET funding, governance, curriculum, programme design, institutional architecture, assessment and certification, and governance and accountability where we have 'cracked the problem' and achieved a stable solution? **DISCUSS.**

<u>After 38 years of back-to-back 'reform', massive investment of political capital and taxpayers' money, why aren't we much further forwards than we are?</u>

What……?

What does this failure to make progress tell us about:

- Our understanding of the root causes of the problems we face?
- Our policy making process?
- Our policy evaluation process?
- Our ability to learn from past policy failures?

England – distinctive features 1

- Very centralised, top-down control
- No feedback loops bottom up
- Little or no practitioner input into policy
- Policy conducted in silos (schools, FE, HE)
- Very segregated routes (vocational v. academic)
- Competition and messy quasi-markets NOT system
- Strong class and other characteristic influence on choices and outcomes (in education and in employment)
- Dis-organised and disengaged employers
- Limited licence to practice requirements in employment (c.f. Germany) and low employer demand for skill in many occupations

England – distinctive features 2

- Focus in initial VET on narrow, entry level jobs rather than occupations and progression (e.g. Level 2 apprenticeship in Mineral Weighbridge Operator)
- Complex and unstable system of VET qualifications
- 'Hollow' 16-19 VET courses – L3 with 600 hours over 2 years v. 3,000 hours over 3 years in Norway. No real common core of general education beyond English and Maths
- Large proportion of 16-19 FE is remedial (trying to achieve the L2 that should have been achieved in lower 2ndry phase)
- High levels of HE participation built on low levels of L3 achievement.

England – distinctive features 3

Bizarre absence of any coherent IAG provision or strategy. Choices within education, and on exiting education into the labour market are taken on no/partial/biased information. Given the narrowness of many of our vocational offerings, this is a huge problem.

There is no structure to support transitions!

Over the last 20 years transition problems have deepened (starting before 2008)

Transitions are now becoming longer, more complex and risky across much of the OECD:

Today, the journey from adolescence to adulthood is far more daunting. It takes much longer, and the roadway is filled with far more potholes, one-way streets and dead ends.

(Symonds, Shwartz and Ferguson, 2011)

And……

Transitions are no longer linear. They involve, *"u-turns, detours and zig-zag movements"* - (Schoon and Lyon-Amos, 2016)

The process of finding a place in the labour market is *"often prolonged and discontinuous"* (Quintini, Martin and Martin, 2007)

Even if there had been no recession….

- Even if the global recession had not occurred, youth transitions would still be problematic in many countries.

- **Structural shifts in the labour market and in the supply of E&T have been at work for a long time. The recession has simply amplified their effects and made them more obvious.**

Changes in employment in the UK:

- Mass migration – not least from within EU – allows wide choice of well-qualified adults.
- Casualised forms of employment (part-time, zero hours) that do not favour the young
- Shrinking youth labour market
- Need for older workers to carry on working (pensions crisis)

Too many 'Bad Jobs'?

Bad jobs can be defined as:

1. Low paid (less than 2/3rds median wage)
2. Insecure/casualised
3. Lack of control
4. High stress levels (often with work intensification)
5. Dull, boring, repetitive (short job cycle times)
6. Lack of opportunities for progression

The decline of stable labour market and employment models

Three pieces of research illuminate the problems posed by new employment models and a changing employment relationship:

1. UKCES (2011) *Youth Inquiry*

2. JP Morgan Foundation/CIPD project on HR for SMEs.

3. ESRC-funded *Precarious Pathways* project run by IER at Warwick.

Youth Inquiry

FINDINGS: Access to employment increasingly via word-of-mouth recruitment and personal recommendation from existing employees, which limits access to opportunities for those from families and communities currently excluded from work.

Employer obsession with 'experience' as a proxy for ability to do their job, coupled with a paradoxical reluctance to offer work experience = 'the experience trap'

J P Morgan Foundation project

The scheme: free HR consultancy support to SMEs in 3 areas (Glasgow, Hackney and Stoke), with the aim of developing employers' understanding and capacity so that they could take on apprentices.

In majority of cases all the resource was consumed simply getting the firms to be legally compliant employers, so deficient was their understanding and practice of employment relations.

Precarious pathways project

Explored transitions for young people and graduates.

FINDINGS: Access to employment via word-of-mouth recruitment, work trials (internships, agency work, gig economy), rendering learning to earning transitions complex and hard for those with limited resources. Employers see themselves as 'victims' of labour market forces beyond their control.

Details:

- “Prior experience…was required even for selection onto unpaid, short-term student work experience placements”
- “all employers saw different types of precarious labour as a better mechanism than interviews for identifying individuals to recruit as employees”
- “they (employers) see themselves as having relatively little power in the labour markets in which they work – even when they are one fo the largest employers with over 100 applicants for some jobs”

Precarious Pathways

CONCLUSIONS: "Many of the problems encountered by young job seekers derive from the sub-division of work. Even the most progressive and ethical employers we interviewed perceived themselves as constrained by market forces, often with little alternative but to concentrate their training and staff development on their core staff and control additional labour costs as tightly as possible, without consideration of the wider social impact and future costs to the community"

Over to you……..

1. In the absence of sensible national policy, can localities do things differently and better?
2. What needs to change?
3. Who needs to lead that change?
4. How can we establish and then make ‘stick’ the Rights, Roles and Responsibilities of the respective actors – young people, schools, colleges, private providers, MCA/LEP, employers, third sector, social partners, etc?