The Concept of Employability with a Specific Focus on Young People, Older Workers and Migrants

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PREFACE

Unemployment in Europe is currently high: it reached in August 2012 10.5% overall,\(^1\) and is even higher in some groups such as young people 22.7% and the low skilled 14.7%.\(^2\) Previous research on how Information and Communication Technologies (ICT) can support socio-economic inclusion processes for groups at risk of exclusion, namely migrants and youth at risk, provides evidence of the relationships between ICT and employability. For example, access and ability to use technology affect employability and also increase wage levels. Likewise, the rise of the internet has brought about major changes in how individuals look for jobs and the factors that shape their success, such as their (online) social networks.

These findings have prompted JRC-IPTS to launch new research to provide solid theory and evidence to better understand how ICT technologies, skills, applications, and usages can improve people’s employability, helping them to gain and sustain employment and thereafter progress and to support policy development in the field of employability. As a first step, JRC-IPTS contracted the Institute for Employment Research, University of Warwick, UK to prepare:

1) a review of the literature on employability, its dimensions and the factors which affect it in general and for groups at risk of exclusion, namely migrants, youth and older workers; and
2) a report on how ICT contribute to employability, support the reduction of barriers and create pathways to employment for all and also for the three specific groups at risk of exclusion.

This research project was carried out in the context of IPTS policy support activities for the implementation of the Europe 2020 strategy, and the Digital Agenda for Europe to enhance digital literacy, skills and inclusion, and the social inclusion and employment policies. Four reports have been produced:

1. Literature review on Employability, Inclusion and ICT, Report 1: The Concept of Employability, with a specific focus on young people, older workers and migrants
2. Literature review on Employability, Inclusion and ICT, Report 2: ICT and Employability
3. Literature review on Employability, Inclusion and ICT, Report 3: Database of example practices of how ICT can support employability for young people, older people and migrants
4. Literature review on Employability, Inclusion and ICT, Report 4: Review of available data sets on employability and ICT

This report is the first of the project reports. The complete set of reports can be found at the IPTS ICT for employability web page:


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\(^1\) Eurostat (2012)

\(^2\) Eurostat, data for 2011
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EXECUTIVE SUMMARY

This report presents the findings of a literature review which aims to answer the following questions:

I. How is the concept of employability elaborated in the literature?

II. How is the concept of employability elaborated in the literature with reference to young people, older workers and migrants?

The review covers academic and policy literature and serves as a precursor for Report 2 (de Hoyos et al., 2012) which is concerned with examining the role played by ICT in employability in general, and with particular reference to the three groups mentioned above.

A ‘broadening’ concept of employability

The concept of ‘employability’ has no single universally accepted definition. A simple definition of ‘employability’ is ‘the quality of being employable’. More broadly, it can be conceptualised as ‘gaining, sustaining and progressing in employment’. Employability, however, is a dynamic concept and a general trend towards ‘broadening’ of the concept to include contextual factors can be observed. A consistent question emerging from the literature concerns ‘who does/should take responsibility for employability?’ Other related terms are ‘flexibility’ and ‘mobility’.

Significant enabling factors for employability include labour market policy and active labour market programmes, employers’ human resource management practices, together with interventions by labour market intermediaries and career information, advice and guidance support services. Employer organisations, business associations and trades unions may also play an important enabling role in some contexts.

A broad shift to greater individual responsibility for employability development has led to the expansion of a number of initiatives and support services.

Key messages

A range of employability skills have been identified around qualifications and skills, values, characteristics and job-related competences. Basic skills are the foundation for employability. Adaptability is significant to enhancing employability. Self-efficacy and confidence are also important to employability, as individuals possessing these attributes are more likely to be proactive in their career development, to be open to learning and development opportunities and to adapt to change easily.

Having the necessary skills, attitudes and behaviours determines, to a considerable extent, the ability of a person to obtain a job and to sustain and progress in employment. Soft skills have been highlighted as valuable for employers and in some cases are seen as more valuable for recruiting purposes than formal qualifications or technical skills, particularly if employees can be easily trained to develop these skills. Employability frameworks aimed at presenting the range of attributes necessary for employability highlight the value of these skills. Another perspective in the study of employability relates to a focus on person-centred factors. However, even from this perspective, the role of the context in which the individual seeks employment or is employed is inevitably significant.

How individuals construct their employment paths, transitions and work culture can affect how and whether employability is enhanced. Employees who consider themselves to be engaged in meaningful employment are less likely to change jobs, especially in a slack labour market, so reducing labour market churn and leaving fewer openings in the labour market for others. They may be happy in their work, especially where employers are actively engaged in supporting and promoting learning and development opportunities to enhance employability.
Individual circumstances both constrain and facilitate employability, including household and local area context, spatial mobility and social networks. The impact of an individual’s neighbourhood and their spatial mobility on employability is difficult to measure as a range of factors influence outcomes. These are also difficult to generalise, as country contexts play a role. Social networks impact on career aspirations, as individuals could have a localised or narrow view of their opportunities gained through the lens of their neighbourhood, but conversely close family and friends could be supportive in expanding an individual’s perception of opportunities. This would lead to enhanced employability.

‘Work culture’ is a general concept explored in the review. It suggests that the work environment and attitudes to work are affected and constructed by individuals, and that at the same time individuals are affected by it. The place where a person lives and the resources that are linked to this space and community also affect a person’s employability. For some individuals, work culture provides access to opportunities and encouragement to develop a career. For others, such as young people from more disadvantaged backgrounds, their work culture may not be as supportive and may even limit the options available. In this case, young people may benefit from initiatives aimed at widening their horizons in terms of education, training and employment. However, such initiatives need to be sensitive to wider individual circumstances and non-work constraints.

Labour demand is an important factor in determining entry to, and sustainability and progression in employment. Local labour market conditions matter especially for those with poor skills and/or those who are otherwise disadvantaged in the labour market. Formal rules and regulations also shape access to employment and particular types of employment; they may serve to advance the employability of most sub-groups, but hinder the prospects of others (e.g. unskilled migrant workers from outside the EU). Labour markets are socially and culturally embedded, as are economic institutions, and informal norms and customs shape labour market practice. Since employers are gatekeepers to the labour market, their recruitment and selection procedures and subsequent internal progression policies are important in determining employability. Here there have been important developments over time, not least the increasing use of the internet in recruitment and selection, in changing processes.

The literature suggests that despite a shift away from organisational responsibility for employability development, there are still a number of enabling factors that tackle barriers to employability. The turbulent labour market in the wake of the economic crisis of 2008/9 has resulted in a range of new education and employment policy measures and shifts in support services across Europe. Active labour market policy and its role in enhancing employability to help individuals participate in the labour market is explored, together with training, work experience, work incentives and human resource management. All have been found to have an important role. Evidence on labour market intermediaries in public employment services (PES) and career information, advice and guidance support (IAG) services are also investigated in the report. Both are shown to support the development and enhancement of employability despite the challenges, such as outcome measures and contextual factors.

A focus on three groups

For young people, older people and migrants, employability is fundamental to successful transition into the labour market, their ability to remain in employment and, importantly, their ability to progress. The range of personal and external factors enabling and constraining employability may be even more significant for these particular groups, although it is important to note that each of these groups is internally heterogeneous and so experiences and circumstances of individuals within them will vary.

Employability and young people

Unemployment or underemployment in low skilled jobs can result in vulnerable young people being stuck in a vicious circle, as they are unable to build up transferable employability skills which are necessary to find employment in secure and stable jobs. At the higher qualified end of the
continuum, many graduates fail to find employment that requires and values graduate skills and knowledge, and therefore work in non-graduate jobs. From a pan-European perspective, it is important to bear in mind that many different general and vocational training systems exist in different countries and that young people face different labour market demands. In many countries, active labour market programmes have become part of the school-to-work transition. They can be used to build up the employability skills of young people, especially in a labour market context in which young people may be excluded due to their lack of skills.

**Employability and older workers**

The employability of older people is influenced by a number of factors, including health as the basis of people’s work ability, their skills and competences (in particular the need for up-dating skills but also adaptability and flexibility), their motivation and both work-based factors and non-work-based factors. Much research has focused on maintaining older people in work and less attention has been paid to transitions from labour market inactivity (as a result of redundancies or time out of the labour market for caring) into paid work. It is in this transition where older people are particularly vulnerable due to a number of factors, including age discrimination, loss of self-confidence in finding a job, loss of social capital or relatively higher wage costs compared to younger people. Research has shown that lower-qualified older workers have less access to, and participate less, in training and are thus more vulnerable in a society where lifelong learning is key to individuals’ employability.

**Employability and migrants**

A range of individual factors are potentially relevant to the employability of migrants. In common with non-migrants, relevant work experience, knowledge of job opportunities and qualifications are important influences on the ability to find work, the type of work undertaken and the ability to maintain employment in the country of destination. In addition, demographic, policy and labour market factors also influence the employability of individual migrants. Migration and employment policies are increasingly skill- and sector-specific, privileging highly skilled migrants. The consequence of this is that the demands of employers for less skilled workers have been met by irregular migrants, refugees or asylum seekers. Promoting employability has been seen as a response to the increasing emphasis placed upon flexibility and mobility in employment and geographical location as a way of increasing European competitiveness. The mobility of international migrants must be understood in terms of their employability in their countries of origin, and prospects of securing employment in the country of destination.

**A reconsideration of frameworks for analysing employability**

On the basis of the evidence presented in this report a revised employability framework is presented in Figure 0.1.
Key features of this revised framework are:

- the prominence of enabling support factors (encompassing labour market intermediaries in public, private and voluntary sectors, trades unions, employer associations / business organisations, sectoral and professional bodies, local and regional authorities) which impinge on other aspects of employability including:
  - individual factors – which have foremost prominence in debates on employability;
  - individual circumstances;
  - employer and organisational practices – which occupy a central position in the framework and play a very important role in providing initial opportunities for employment and for progression in employment;
  - local contextual factors; and
  - macro level factors.
1. INTRODUCTION

1.1 Background to and purpose of the report

Employment commands a central place in labour market policies in the European Union (EU). It was a key element in the European Employment Strategy (Commission of the European Communities, 1999, 2003a, 2003b), which aimed to make labour markets function better, to equip people with the right skills for employment, and to improve job quality and working conditions. More specifically, the Strategy involved implementing employment policies aimed at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion; promoting a lifecycle approach to work; ensuring inclusive labour markets for job seekers and those disadvantaged in the labour market; improving matching of labour market needs; expanding and improving investment in human capital; and adapting education and training systems in response to new competence requirements. Employability is implicit in all these aims.

Subsequently employability was an important underpinning concept for the Europe 2020 Strategy for Growth,3 underpinned by the Agenda for New Skills for New Jobs4 and the European platform against poverty and social exclusion.5 The Agenda for new skills and jobs is of particular relevance to current policy formulations, because it is concerned with increasing the share of the working-age population (20-64 years) in work to 75% by 2020. To achieve this target wide ranging actions are proposed including reforms to improve flexibility and security in the labour market (i.e. ‘flexicurity’), to equip people with the right skills for the jobs of today and tomorrow, to improve the quality of jobs and ensure better working conditions, and to improve the conditions for job creation. Employability is a key concern also of labour market policies at national and sub-national levels (McQuaid et al., 2005).

This report is concerned with reviewing how the much used concept of employability is elaborated:

- in the academic and policy literature; and
- with particular reference to young people, older workers, migrants.

It serves as the precursor for the next stage of the project which is concerned with examining the role of ICT in affecting employability in general, and with particular reference to young people, older people and migrants (de Hoyos et al., 2012).

1.2 An introduction to the methodological approach

The methodology employed for the literature review involved searching academic databases and websites of relevant organisations for publications considering employability, either as main focus or in connection with one or more of the themes agreed with the sponsor for the purposes of this study. A number of academic journals were also browsed by hand due to their relevance to the study; further references were also added by the team based on their contacts and expertise. This search led to a database of over 500 references that were sorted by theme and which provided the starting point for compiling the report.

Once this material had been collated, an outline was drafted to guide the completion of the report. Further references were drawn from the literature to address issues and questions that emerged as the report was being drafted. The final list of references, encompassing both academic and grey literature, used directly for this report is listed in the reference section.

This review of the literature can be seen as a scoping exercise that aims to capture the different aspects encompassed by the concept of employability, so providing a broad picture of the concept.
and its application. However, this is not a systematic literature review since this would have required a more specific, focused question. Nonetheless, it can be said that this review may also serve as a preliminary stage for conducting a systematic literature review as it can assist in defining such a delimited line of enquiry.

A more detailed explanation of the methodology is presented in Chapter 2.

1.3 Scope and structure of the report

The report is structured to reflect the two main purposes outlined above, with Chapters 3-7 addressing general issues, Chapters 8-10 focusing on the particular sub-groups of interest, and Chapter 11 concluding.

Chapter 3 explores definitional and conceptual issues. It highlights how the concept of employability is variegated, how it has evolved over time and how, in general, it has become broader. Selected narrower and broader frameworks used to examine employability are introduced. The framework that is used for analysing employability in this report is presented. It distinguishes (1) individual factors, (2) individual circumstances and (3) labour market factors impinging on employability. The chapter also discusses where and with whom responsibility for employability lies. Finally, the related concept of workability, which has been influential in debates about older workers, is outlined, as is the influential capabilities approach.

Chapters 4-6 consider individual factors, individual circumstances and labour market factors, respectively. Chapter 4 is concerned with skills, attitudes and behaviours that affect individuals’ employability. The discussion ranges over basic skills, soft skills, individual factors, the deployment of employability assets in job search and transition management, perceived employability and self-efficacy, and issues of adaptability and mobility. Chapter 5 discusses individuals’ circumstances. In particular it focuses on how work culture affects – and is affected by – employability. It also discusses neighbourhood effects and the role of social networks and considers the role of work transitions. Chapter 6 outlines how employability is contingent upon labour demand, and highlights the importance of both macroeconomic factors and microeconomic circumstances. It also discusses the role of labour market rules and regulations in shaping access to the labour market. It also considers employers’ recruitment, selection and internal labour market practices, and indicates how discrimination may compromise the employability of some sub-groups.

Chapter 7 builds on the previous three chapters through consideration of factors and policies which may act to ‘enable’ employability, by making links between individuals, their circumstances and wider external factors in order to tackle barriers to employability. It considers the role of labour market policy, and especially active labour market policy initiatives, in addressing employability, before moving to a review of developments in human resource management, education and training, in relation to changing skills requirements. Finally, it assesses the role of labour market intermediaries, with a particular emphasis on information, advice and guidance support services.

Chapters 8-10 focus in turn on young people, older people and migrants. In each of these chapters key issues and debates relating to the employability of the sub-group are rehearsed, and individual factors, individual circumstances, external factors and enabling factors pertaining to the experience of the particular sub-group are reviewed.

Chapter 11 concludes, with an overview of key features of the concept of, and debates on employability, together with key messages and research gaps emerging from the review. It also presents a revised framework for analysing employability, drawing on selected findings from the literature review, together with revised frameworks for young people, older people and migrants.
2. METHODOLOGY

2.1 The research questions

This project was commissioned by the Institute for Prospective Studies (IPTS), part of the Joint Research Centre of the European Commission. It consists of a review of the literature on employability with a specific focus on three groups considered to be at risk of social exclusion: young people; older people; and migrants. As outlined in Section 1.1, the aim of the review is to provide an answer to the following research questions:

1. How is the concept of employability elaborated in the literature?; and
2. How is the concept of employability elaborated in the literature with reference to migrants, young people and older workers?

The study can be seen as broad in scope given that this question was not narrowed to specific issues of the concept and actors of interest. Instead, the research questions were open in the sense that they aimed to cover a range of topics. These topics were agreed between the sponsor and the research team to scope the area under study, including:

- Indicators for employability
- The changing nature of employability (e.g., as a result of the current economic climate
- Exclusion
- Young people, youth, younger, NEET (not in employment, education or training) etc.
- Migrants
- Older workers, older people, mature workers, seniors, etc.
- ICT, communication technology, information technology, computer skills, ICT skills, computer literacy, e-skills, e-learning, e-business, telework
- Key competencies (mix of skills, knowledge, attitudes, experience)6
- Education
- Employment
- Labour market trends
- Labour market intermediaries
- Supply and demand
- Social inclusion
- Occupational health
- Integration
- Human capital development
- Social capital
- Human resources
- Development
- Workability
- Discrimination
- Gender issues
- The demand side (employers’ perspective)
- Transitions (to, from, between employment)
- Entrepreneurship, Self-employment
- The role of ICT in supporting employability, but also cases where it can be a hindrance
- Job search issues (including the role of ICT from both the employer and the job seeker’s perspective)
- Teleworking
- Web, social networks, digital skills, applications, online services

Armstrong et al. (2011) propose that scoping reviews can be seen as “a process of mapping the existing literature or evidence base” (p 147). As stated, such reviews may serve a range of

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6 This is to address the following questions: What is known about current trends in the profiles or set of key competencies (mix of skills, knowledge, attitudes, experience) that are demanded by the labour market and thus would increase employability? What are the competencies that employers seek beyond an educational level or profile?
purposes, such as summarising findings in a specified area of study, identifying research gaps, or informing research questions for literature reviews. In relation to the latter purpose, a scoping review can be of help not only in specifying research questions in detail, but it could also provide useful information about the potential costs of such a review by giving an indication of the number of studies that will need to be considered (Armstrong et al., 2011). Furthermore, it may be added that scoping studies can serve to inform policy and practice.

Although conducted in a systematic and transparent way, scoping reviews place fewer limitations than systematic reviews in relation to the types of study designs considered and the search terms used, and require researchers to proceed in a reflexive way at each stage of the (iterative) process (Arksey and O'Malley, 2005).

2.2 Identifying and selecting relevant studies

Relevant studies were identified by a process of searching academic databases and websites of relevant organisations with the aim of covering both academic and grey literature. Some academic journals were also searched manually given their relevance. The lists of academic databases, journals and websites searched are reported in Appendices 1-3.

Academic databases were searched using the following specifications:

- The term ‘employability’ was used as a search string. The choice was made on a preliminary search using different options, which indicated that using this term would ensure sufficient, yet manageable coverage. This choice, however, was not without limitations since it was acknowledged that literature relevant to the study is not limited to publications that use the term ‘employability’. It should also be acknowledged that there may be cultural differences in use of the term. Hence the review presented is selective rather than fully comprehensive.
- Searches were delimited to include publications dating from February 2002 to February 2012.
- In relation to geographical coverage, European studies were considered as central to the study, but publications from the USA and Australia were also considered.

Searches were conducted by members of the team using the above criteria. Each of the publications that this search yielded was then screened against the topics listed above. Material was included if it served to inform understanding of employability in general or in relation to one or more of the topics listed. These topics provided a “clearly articulated scope of enquiry” (Levac et al., 2010: 3) and helped to clarify the focus of the study and guided the search strategy. Appendix 1 provides a summary of the results obtained from each database and the number of publications that were considered as relevant after this screening. A list of 3,020 publications was made available through the searches of academic databases.

The list of publications was stored using reference manager software (EndNote) that allows, in most cases, for references to be imported automatically rather than manually. These references were then reviewed in detail by two of the researchers who considered the title and study abstracts in relation to the list of topics to make decisions about inclusion or exclusion of material. This further screening led to trimming the original database and bringing the number of relevant publications to 854.

A further 46 references were added by searching a small number of academic journals manually. The journals were searched for relevant publications between February 2009 and February 2012.

Websites of relevant organisations were also searched for reports or grey information with regard to employability and the specified topics. The initial list of websites considered is provided in Appendix 3.

In addition, a considerable number of publications were obtained by the researchers’ own database searches and through the team’s network of contacts. IPTS provided a number of reports and
material to be considered. Therefore, identifying and selecting relevant studies was an operational and iterative stage throughout (see also Levac et al., 2010).

This allowed the creation of a database, which was sorted according to five main themes:

- Employability general;
- Employability and young people;
- Employability and older people;
- Employability and migrants;
- Employability and ICT – these references were of particular relevance to the second report produced by the research team focusing specifically on ICT and employability (de Hoyos et al., 2012).

In summary, this database should be seen as a starting point for the scoping exercise as new questions emerged from further iterations. This was the case during researchers’ own work exploring employability and associated specific topics, and during consultations.

2.3 Summarising and integrating the material

The research team consisted of six researchers; three of whom were experts in young people, older workers and migrants. Thus, in summarising and integrating the material, these experts focused on employability and a specific group. The remaining three members of the team focused on employability in general. (Material for employability and ICT was gathered for the purpose of report 2 and 3, which were produced alongside the present one.)

As the literature was being examined, the researchers used the emerging insights to create an outline for the report, which served to organise the results. This outline was shared with the sponsor who provided feedback and suggested areas of research in which they were particularly interested. This led to the need to conduct further searches; therefore, the material gathered in the first phase of searching should be considered as a starting point.

2.4 Consultation

The process of consultation for this review was agreed at the start of the review. First, the researchers and IPTS agreed on both formal and informal consultations to share preliminary findings, discuss courses of action and gather feedback. In addition, the research contract stipulated the submission of a draft report prior to a formal report, which allowed for comments and suggestions from the sponsor to be addressed in a revised report. Finally, an Experts Meeting was organised by IPTS to present the report to the members of the policy, research and practitioner communities in order to discuss the study and gather further views on its impact and how it could be improved.

2.5 Overview

This study can be seen as a scoping review which aims to map the literature and evidence base available on employability. The process consisted of defining a research question; identifying and selecting relevant studies; summarising and integrating the material; and consulting with sponsors and experts. These stages were iterative during the process and some of them continued to be in operation throughout.
3. DEFINITIONAL AND CONCEPTUAL ISSUES

This chapter is concerned with definitional and conceptual issues of employability. It starts by outlining how employability is a ‘slippery’ concept, which has evolved over time, becoming broader as it has done so (Section 3.1). Distinctions between absolute and relative employability and between objective and subjective employability are also rehearsed. It goes on to consider frameworks for operationalising, analysing and assessing employability, including those incorporating individual and household circumstances and the broader labour market context, alongside individual attributes and characteristics (Section 3.2). Responsibility for employability is discussed in Section 3.3, with reference to the individual, the employer and the state. The related concept of ‘work ability’ is outlined in Section 3.4, along with discussion of the broader ‘capabilities approach’.

3.1 Definitions and concepts of employability

‘Employability’ is a longstanding yet contested concept (Gazier, 1998) that has come to the forefront of policy and theoretical debates at local, regional, national and international levels relatively recently. In policy terms, ‘employability’ formed one of the four original pillars of the European Employment Strategy from 1997. It has remained an important goal for the revised European Employment Strategy from 2003, it was a precondition for the targets set out in the Lisbon Strategy 2000–2010, and is expected to play an important role in achieving employment, education and social targets in the EUROPE 2020 (2010) strategy.7

Despite its importance in labour market discourses, employability is difficult to measure (Apel and Fertig, 2009). The use of different definitions has caused confusion, yet there is no consensus on a single accepted definition, or on how the concept should be applied; rather a fog of ambiguity surrounds the term (de Bruin and Dupuis, 2008; Forrier and Sels, 2003). The simple dictionary definition of ‘employability’ is ‘the quality of character of being employable’. More broadly, it can be conceptualised as ‘gaining, sustaining and progressing in employment’. This is the definition that is adopted in this report. It chimes with the notion of ‘sustainable employment’, which implies an upward employment trajectory in the longer-term (Kellard et al., 2001), such that a focus solely on getting people into work per se is insufficient (McCullum, 2012). However, is should be noted that employability is a more slippery and politicised notion than this fairly neat conception would imply, and as outlined below there are multiple approaches to defining employability (Wilton, 2011).

Over the years, reference has been made to various versions of the concept, as outlined by McQuaid and Lindsay (2005). In broad chronological order, ‘dichotomic employability’, a concept dating from the start of the 20th century, distinguished the two polar opposites of ‘employable’ and ‘unemployable’. ‘Socio-medical employability’, dating from the 1950s, highlighted the distance between the existing work abilities of socially, physically or mentally disadvantaged people and the work requirements of employment. Then, in the 1960s the concept of ‘manpower policy employability’ emerged, which expanded the notion of socio-medical employability to cover all disadvantaged groups and considered their abilities vis-à-vis the work requirements of employment. All of these concepts of employability had an overtly supply-side orientation, focusing on characteristics of disadvantaged people and their deficiencies relative to what was required to be ‘employable’. There was a shift in emphasis with the emergence of the concept of ‘flow employability’, which took into account demand side considerations to derive a probability that a person looking for work can find a job. The concept of ‘labour market performance employability’, dating from the 1970s, focused on the labour market outcomes (measured in terms of hours worked, payment and sustainability of employment) achieved by programmes to address employability. The concept of ‘initiative employability’, which emerged from the human resource development literature in the late 1980s, highlighted the need for individuals to develop

7 See http://www.eurofound.europa.eu/areas/industrialrelations/dictionary/definitions/employability.htm
transferable skills, so that they had the flexibility to move between job roles and employers, and so remain employable. Hence, the emphasis here is firmly on the individual, as in the earliest definitions of employability. ‘Interactive employability’, also dating from the late 1980s, maintained a foremost focus on individual initiative, while acknowledging that the employability of an individual is relative to that of other individuals in the context of prevailing labour market conditions and the rules and institutions governing access to the labour market. Hence, this concept acknowledges the role of employers, and of opportunity structures in the labour market. These latter two concepts have dominated recent debates on employability and are associated with different policy emphases. In the case of interactive employability the policy focus is on promoting lifelong learning, labour market flexibility and the provision of labour market information, whereas for interactive employability the emphasis is on worker adaptation, alongside activation and preventative programmes (Wilton, 2011).

It is clear from this historical overview that the definitions and meanings of employability have evolved over time. Hence, it is a dynamic, as opposed to a static, concept. At any one time, scholars and practitioners have used different concepts and definitions, in accordance with disciplinary traditions and the primary focus of their interest. Despite the changes outlined above, it is clear that many of the definitions have emphasised individual, supply-side components. However, the concept of employability has tended to become broader over time, such that it relates to the employed as well as the unemployed who were its initial central concern. The focus of the concept has extended beyond individuals to include concern with an array of barriers to accessing and sustaining employment more generally. This is encapsulated by a notion of employability relating to those in work seeking to improve or sustain their position in the labour market, in education, and out of work (McQuaid and Lindsay, 2005). This emphasises the ‘interactive’ nature of employability, as the dynamic interaction of individual attributes, personal circumstances, labour market conditions and other contextual factors (Evans et al., 1999; Hillage and Pollard, 1998).

The latter point highlights an important duality between ‘absolute employability’ and ‘relative employability’ emerging from the historical overview. ‘Absolute employability’ is captured by the dichotomic concept where a two-fold distinction is made between being ‘employable’ and ‘not being employable’. Conversely, the concepts of flow employability and interactive employability recognise the importance of mediating or contingent factors on employability, such that an individual’s employability is relative to the characteristics of other individuals in the labour market, the number and nature of employment opportunities available (see Brown et al., 2002; Clarke, 2008) and how employers recruit and select individuals to fill vacancies. Hence taking two individuals, A and B, with exactly the same characteristics and household circumstances, individual A in location X might be ‘employable’ yet individual B in location Y might not be so, because of the greater competition for jobs in B enabling employers to increase the quality standard of labour recruited. Likewise, while individual A in location X might be ‘employable’ at time t, he/she might not be employable at time t+1 because of changes in either the state of the local labour market between time t and time t+1, and/or because of changes in employers’ requirements of what constitutes employability between time t and time t+1. This duality of employability is of particular importance when considering the position of young people, older people and migrants in the labour market.

Another important distinction is that between ‘objective employability’ and ‘subjective employability’. The former relates to the employability of an individual as measured objectively (i.e. according to their characteristics and circumstances). The latter, sometimes referred to as ‘perceived employability’, relates to an individual’s beliefs about their own employability (this concept is discussed further in section 3.5). An individual’s subjective employability may not accord with his/her objective employability. This is an important issue for policy concerned with enhancing employability, since the perceived, as well as objective, capability of getting new employment may enable an individual to cope with turbulent situations or deteriorating labour market conditions.
3.2 Frameworks for examining employability

A number of different frameworks for examining employability have been put forward in the literature. Selected frameworks are considered here, encompassing examples adopting both ‘narrower’ and ‘broader’ conceptualisations of employability, with the former focusing mainly on supply-side dimensions and the latter including a broader range of contextual factors and aspects of labour demand. The narrower frameworks are considered first (section 3.2.1), and then the broader frameworks (section 3.2.2).

3.2.1 Narrower frameworks

An example of a narrower framework is that proposed by Fugate et al. (2004), with an onus on the need for employees to acquire the knowledge, skills, abilities and other characteristics valued by current and prospective employers. Working on the premise that employability is a synergistic collection of individual characteristics, and arguing that employability represents a form of work specific (pro)active adaptability that enables workers to adapt to new situations, they present employability as a psycho-social construct consisting of three overlapping dimensions. The first is ‘career identity’, including goals, hopes and fears; personality traits; values, beliefs and norms; interaction styles; and time horizons. Together these represent "who I am or want to be" in the work domain (Fugate et al., 2004: 20). The second dimension is ‘personal adaptability’, which captures the willingness of the individual to change knowledge, skills, abilities and other characteristics to meet the demands of the situation. The third dimension is social and human capital, encompassing social networks and work experience, training and skills development. Hence, in this framework, employability is viewed as “a multidimensional aggregate of career identity, personal adaptability, and social and human capital” (Fugate et al., 2004: 32).

Fugate et al. (2004) argue that employability is “a form of work specific active adaptability that enables workers to identify and realise career opportunities” (Fugate et al., 2004: 16). They justify their narrow focus on person-centred factors by acknowledging the lack of input individuals have on the criteria used by employers to hire employees. Likewise, McArdle et al. (2007) argue that the Fugate et al. (2004) approach is advantageous since it is independent of whether a person is employed (and so employable in a specific context). In other words, a person-centred approach can provide insight into the attitudes and activities that can make a person employable regardless of whether they are in employment or unemployed.

Building on some of the dimensions of the influential Fugate et al. (2004) framework and adding others, Dacre Pool and Sewell (2007) have developed a model of employability that can be used as a framework for working with students in higher education in the UK to develop their employability. This is especially pertinent given the prevailing policy concern with employability of young people, including graduates, as discussed in Chapter 8. The essential components of the Dacre Pool and Sewell (2007) model are outlined in Figure 3.1. The five model components at the base of Figure 3.1 are degree subject knowledge, understanding and skills; generic skills (as explored in Chapter 4) which can be utilised in a range of contexts; emotional intelligence; career development learning; and experience – of work and life. At the next level is reflection and evaluation of learning experiences, which is key to helping a student to assess what he/she needs to do to develop his/her employability further, and which is key to the development of self-efficacy, self-confidence and self-esteem (discussed in Chapter 4) at the next level of the model. Labour market intermediaries and information, advice and guidance services can play an enabling role at

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8 Although developed in the UK, this model but has wider applicability to other countries.
9 This relates to the capacity of an individual to recognise his/her own feelings and those of others, for self-motivation and for managing emotions – both within the self and in relationships.
10 Encompassing decision making skills, opportunity awareness (i.e. knowing what opportunities exist and what their requirements are), transition learning (including job searching and self-presenting skills), and self-awareness (in terms of interests, abilities, values, etc.).
different levels of the model (as discussed in Chapter 7). Together these components are seen as providing the key to employability.

**Figure 3.1: Essential components of employability**

![Diagram of employability components](image)

Source: Dacre Pool and Sewell (2007: 280, Figure 1)

In applying this framework there have been debates about the relative merits of ‘embedded employability’ (i.e. embedding employability skills into an academic/training programme) and ‘bolt-on provision’ (i.e. treating the development of employability skills separately from other learning). Cranmer (2006) argues that there are advantages and disadvantages in both approaches. Generic skills suitable for embedding include communication skills, presentation skills, teamworking, problem solving, planning, coordinating, organising, etc. Arguably, however, the fact that students are unaware that they are developing these skills may be a disadvantage. While separate bolt-on provision may mean that students lack motivation to engage in learning employability skills, arguably subjects such as career planning demand deeper engagement and separate provision. This suggests that there may be merit in working with both approaches.

In a similar vein to the frameworks outlined above, the US Department of Labour Secretary’s Commission on Achieving Necessary Skills (SCANS) had earlier developed a project consisting of an economy-wide analysis to “identify a set of basic skills generalisable across all jobs and occupations” (Bates and Phelan, 2002: 123). The skills identified included:

- **The Three-Part Foundation Skills**
  - Basic skills: reads, writes, performs arithmetic and mathematical operations, listens and speaks.
  - Thinking skills: thinks creatively, makes decisions, solves problems, visualizes, knows how to learn and reasons.
  - Personal qualities: displays responsibility, self-esteem, sociability, self-management, and integrity and honesty.

- **The Five Competencies**
  - Resources: identifies, organises, plans and allocates resources.
- Interpersonal: works with others.
- Information: acquires and uses information.
- Systems: understands complex relationships.
- Technology: works with a variety of technology.

Whereas the three-part foundation skills relate specifically to individuals, the five competencies are somewhat broader, as they relate to the position and functioning of an individual in a wider context.

The SCANS can be seen as pioneering in the USA in identifying the skills that people need to participate successfully and competitively in the labour market (Bates and Phelan, 2002). A further contribution of the SCANS framework is that assessment measures have also been developed, allowing it to be used by school, training providers and researchers.

Besides the SCANS framework, other frameworks of employability have been developed in the US including the American Society for Training and Development (ASTD) framework and the Jobs for American’s Graduates (JAG) framework. The ASTD framework is, together with the SCANS framework, considered as fundamental to the identification of employability skills and is commonly used as a benchmark or basis for other studies (as outlined in Chapter 4). The ASTD framework is presented in Carnevale et al. (1990) suggests 16 skills seen by employers as workplace basics. These skills are presented into seven groups, starting from ‘learning to learn’ which is seen as a foundation skill. These skills are then progressively developed to the level of effectiveness and leadership and influencing other people. The skills proposed by the ASTD framework are listed below in their respective (unnamed) groups (Carnevale et al., 1990):

1. Learning to learn;
2. Reading, Writing, Computation;
3. Listening, Oral Communication;
4. Creative thinking, Problem solving;
5. Self-esteem, Goal setting-motivation, Employability-career development;
6. Interpersonal, Negotiation, Teamwork;
7. Organisational effectiveness, Leadership.

Like the SCANS framework, the JAG framework was developed to guide schools and training institutions in relation to the skills that should be taught to help people become employable, although the latter can be seen as providing more specific skills (Collura, 2009). The JAG framework proposed 37 competencies clustered into the six groups as shown below (adapted from Collura, 2009):

1. Career development competencies:
   - Identify occupational interests, aptitudes and abilities;
   - Relate interests, aptitudes and abilities to appropriate occupations;
   - Identify desired life style and relate to selected occupations;
   - Develop a career path for a selected occupation;
   - Select an immediate job goal;
   - Describe the conditions and specifications of the job goal.
2. Job attainment competencies:
   - Construct a CV;
   - Conduct a job search;
   - Develop a job application letter;
3. Basic skills competences:
   - Comprehend verbal communication;
   - Comprehend written communications;
   - Communicate in writing;
   - Communication verbally;
   - Perform mathematical calculations.
4. Leadership and self-development competences:
   - Demonstrate team membership;
   - Demonstrate team leadership;
   - Deliver presentations to a group;
   - Compete successfully with peers;
   - Demonstrate commitment to an organization.
5. Personal skills competences.

6. Personal skills competences.
- Use the telephone to arrange an interview;
- Complete application forms;
- Complete employment tests.
- Complete a job interview.

3. Job survival competencies:
- Demonstrate appropriate appearance;
- Identify expectations that employers have of employees;
- Identify problems of new employees;
- Demonstrate time management;
- Follow directions;
- Practice effective human relations;
- Appropriately resign from a job.

In Australia, the Department of Education, Employment and Workplace Relations (DEEWR) proposed an employability skills framework that can be used across sectors (DEEWR, 2012). This framework consists of two main parts: (1) three sets of skills clusters, and (2) a list of enabling factors. The framework is recent and will serve to inform future work by the Department and other actors. This framework includes the following elements (DEEWR, 2012):

**Skills Clusters:**

1. Navigate the world of work
   - Manage career and work life;
   - Understand and work with roles, rights, responsibilities and protocols;
   - Manage personal learning.

2. Interact with others
   - Understand and be understood;
   - Contribute and collaborate;
   - Understand, respect and utilise diverse perspectives;
   - Negotiate outcomes and identify and resolve conflict.

3. Get the work done
   - Adapt and apply prior knowledge;
   - Plan, organise and implement;
   - Make decisions;
   - Design, develop and implement new ideas;
   - Use tools and technology;
   - Manage information.

**Enabling Factors:**

- Workplace support;
- Culture and values – both workplace and individual;
- External factors.

In summary, the frameworks and models outlined above can be viewed as relatively narrow. Although the framework proposed by the Australian government establishes links with the workforce needs, it agrees with the US frameworks discussed in the section in placing employability skills alongside the work specific skills that can enhance a person’s employability. Thus, these frameworks focus predominantly on the individual, and sometimes on specific ‘employability skills’ (for further discussion see Chapter 4 for further discussion) that are transferable across different contexts (Overtoon, 2000). While some of the frameworks acknowledge the importance of the context in which the individual finds himself/herself (e.g. interpersonal relationships with others as one of the five competencies in SCANS; enabling factors in the DEEWR framework) and also recognise the need to adapt to developments in the labour market, they do not, as such, take explicit account of the broader context.
3.2.2  Broader frameworks

By contrast with the relatively narrow perspectives outlined above, broader models/frameworks take account of context. For example, in developing an employability framework for policy analysis, Hillage and Pollard (1998) included four elements. The first is ‘employability assets’ – with a distinction between ‘baseline assets’, ‘intermediate assets’ and ‘high level assets’, together encompassing basic skills, personal attributes, job-specific / generic / key skills, team working and commercial awareness. The second element is ‘presentation of assets’, for example in a CV. The third is deployment of assets, via job search and career management skills. Fourth, ‘context’ was included in the framework since it affected the ability to realise assets in a situation where supply and demand come together.

McQuaid and Lindsay (2005) have also advocated the adoption of a broad employability framework, an adapted and condensed example of which (including individual circumstances, personal circumstances and external factors) is presented in Table 3.1.
Table 3.1: Employability framework

<table>
<thead>
<tr>
<th>Individual factors</th>
<th>Individual circumstances</th>
<th>Labour market factors</th>
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<tbody>
<tr>
<td><strong>Employability skills and characteristics</strong></td>
<td><strong>Household circumstances</strong></td>
<td><strong>Demand factors</strong></td>
</tr>
<tr>
<td>• essential attributes</td>
<td>• direct caring responsibilities</td>
<td>• labour market factors</td>
</tr>
<tr>
<td>• self-efficacy, motivation</td>
<td>• other family and caring responsibilities</td>
<td>• macroeconomic factors</td>
</tr>
<tr>
<td>• personal competencies</td>
<td></td>
<td>• vacancy characteristics</td>
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<tr>
<td>• basic transferable skills</td>
<td></td>
<td>• recruitment factors</td>
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<tr>
<td>• key transferable skills</td>
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<td></td>
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<tr>
<td>• high level transferable skills</td>
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<tr>
<td>• qualifications</td>
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<tr>
<td>• work knowledge base</td>
<td></td>
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<tr>
<td>• labour market attachment</td>
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<tr>
<td><strong>Demographic characteristics</strong></td>
<td><strong>Work culture</strong></td>
<td><strong>Labour market rules and institutions</strong></td>
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<tr>
<td>• direct caring responsibilities</td>
<td>• the existence of a culture in which work is encouraged</td>
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<tr>
<td>• other family and caring responsibilities</td>
<td>• under-employment (working time and skills)</td>
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<tr>
<td><strong>Health and well-being</strong></td>
<td><strong>Access to resources</strong></td>
<td><strong>Enabling support factors</strong></td>
</tr>
<tr>
<td>• health</td>
<td>• access to transport</td>
<td>• employment policy factors (e.g. job matching technology, active labour market policy, incentives for work)</td>
</tr>
<tr>
<td>• disability</td>
<td>• access to financial capital</td>
<td>• other enabling factors (e.g. labour market intermediaries and support services facilitating take up of employment)</td>
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<td></td>
<td>• access to social capital</td>
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<tr>
<td><strong>Job seeking</strong></td>
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<td></td>
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<tr>
<td>• effective use of formal and informal information sources and networks</td>
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<tr>
<td>• ability to fill in a CV, perform effectively at interview</td>
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<td></td>
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<tr>
<td>• awareness of labour market opportunities</td>
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<tr>
<td>• realistic approach to job targeting</td>
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<tr>
<td><strong>Adaptability and mobility</strong></td>
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<tr>
<td>• geographical mobility</td>
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<tr>
<td>• occupational mobility</td>
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</tbody>
</table>

Source: adapted from McQuaid and Lindsay (2005)

This condensed framework does not take account of all of the detailed employability skills included in their detailed framework by McQuaid and Lindsay (2005). Nor does it take detailed account of conventional measures of economic position (i.e. whether an individual is in employment—either as an employee or in a self-employed capacity, or workless [i.e. unemployed or economically inactive]
inactive]), although the issues of self-employment and entrepreneurship are mentioned in relation to the three groups in chapters 8-10; (a detailed review of entrepreneurship would mark a significant move away from the concern with employability and so is beyond the scope of this report). The reduced and adapted framework in Table 3.1 is used to structure this report, since it provides a holistic view of employability.

A revised and more detailed employability framework is presented in chapter 11, drawing upon elements of McQuaid and Lindsay’s (2005) full framework and supplementing it in the light of the review findings, in order to provide a more operational framework.

As well as considering issues relating to motivation, self-efficacy and the skills needed to cope with and flourish in a changing labour market (Orton, 2011); individual circumstances and labour market factors that may serve to limit or enable individuals to gain and sustain meaningful employment are assessed. Individual factors (reviewed in Chapter 4) include employability skills and characteristics, demographic characteristics, health and well-being, aspects of job seeking, and adaptability and mobility. Individual circumstances (the subject of Chapter 5) include household circumstances, work culture and access to resources, which may impinge on an individual’s ability to operate effectively within the labour market. Labour market factors encompass various aspects of labour demand, and labour market rules and institutions (considered in chapter 6) and enabling factors supporting employability (which are the subject of Chapter 7).

Similarly, Baum et al. (2008) represent the characteristics of employability in the framework presented in Figure 3.2, in which individual outcomes (here termed with ‘individual underutilisation risk’) are conceptualised as a function of, on the supply side, individual factors and personal circumstances (analogous to ‘individual circumstances’ in Table 3.1), and on the demand side, contextual factors (including labour market structure and regulation). Together these factors impinge on an individual’s real or perceived opportunity structure (Galster and Killen, 1995), which in turn affect individuals’ labour market outcomes. They argue that it is important to look at individual characteristics, personal circumstances and (local) labour market characteristics together to identify effective policy interventions.

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11 It is salient to note here that some economically inactive individuals may have excellent ‘employability’ – perhaps as demonstrated through voluntary or informal work activities. This highlights some of the difficulties of using conventional ‘economic position categories, and employment rates, for measuring ‘employability’.
Though some labour market analysts (e.g. Shuttleworth et al., 2005) concur with adoption of a broad framework for examining employability, on the grounds that to gain a comprehensive insight into employability it is crucial to explore the role of labour demand and changes in the labour market context. However, others hold the contrary view that broad definitions of employability encompass all factors that affect entry to employment, and the ability to maintain sustainable employment have little analytical use. For example, Creighton (2007) argues that incorporation of demand side factors within an employability framework confuses debates about problems and solutions in the labour market. For the purposes of this report, a broad framework is deemed desirable as it provides a holistic (and so inclusive) framework for examining employability – empirically, theoretically and from a policy perspective. Either a narrow or broad framework can make sense from an academic perspective. From a policy perspective the relative merits of a narrow vis-à-vis a broad framework is contested (as outlined above).

### 3.3 Responsibility for employability

A consistent theme within the literature on employability is who takes or should take responsibility for employability? Is it the individual, the employer, the state (whether directly or via a constellation of local agencies and third sector and private sector bodies to whom they have transferred responsibilities), or all of them together?

Some commentators posit that employability is a shared outcome and responsibility, even though individuals’ skills and knowledge rests at its core (de Bruin and Dupuis, 2008). However, there has been a clear trend towards a greater onus for responsibility for employability resting on the individual. To a large degree this trend is linked to the demise of lifetime employment (a situation in which an employer can be inferred to have foremost responsibility for the employability of the individual through long-term organisational career bargains (Kanter, 1994)) within the same organisation (Forrier and Sels, 2003). Indeed, the rise of the concept of employability to a central position in labour market debates, is often linked to how employment security needs to be safeguarded differently in an era of ‘boundaryless career’ models (Arthur and Rousseau, 2001), characterised by individuals shifting between jobs and organisations and developing their
employability as they progress their careers (as discussed in section 5.6.1). In such circumstances “to be employable is to be secure” (Hawkins, 1999: 8) and “employability is the new job security” (Pruijt and Derogee, 2010), since employability is the basis for career and employment success as job security erodes (Clarke and Patrickson, 2008). Here the pressure is on individuals to take the initiative themselves. This involves updating their knowledge and skills through continuous learning to enhance their relative employability vis-à-vis other individuals (Carbery and Garavan, 2007; Southwood, 2011), and being sufficiently flexible and adaptable to meet employer requirements. While this might be beneficial for those individuals with valuable skills in short supply, it may be harmful to others occupying a weaker competitive position in the labour market. A shift of responsibility from the state and the employer to the individual has been interpreted as helping capital to exercise domination over labour in the context of neo-liberalism, in other words, realigning the relationship between capital and labour in favour of the former (Ball, 2009).

There is empirical evidence for a shift towards individuals in managerial and professional positions taking on greater responsibility for their own training and learning (Clarke, 2007; Clarke and Patrickson, 2008) and evidence that self-development skills are important in adjusting to organisational downsizing and restructuring (Carbery and Garavan, 2005). However, the extent of this shift and the demise of the traditional organisational career (Chudzikowski, in press) have been questioned (as rehearsed in section 4.6.1).

As well as being an important factor for enabling career success at the individual level, employability is a critical requirement for enabling competitive advantage at the firm level. For example, in an economic study drawing on data from manufacturing firms in Spain, Arocena et al. (2007) show that by facilitating workers’ employability, firms increase their labour productivity, and so their own profitability. More generally, the literature on high performance working highlights the benefits to employers of promoting and making space for skills development to enhance employability, and providing organisational structures in which individuals have some degree of autonomy and the opportunity to utilise their skills. In this way it is possible for employers to enhance their prospects for becoming ‘employers of choice’. There is also evidence from case studies of Microsoft (Bonfiglioli and Moir, 2006) that broader societal efforts to encourage employability, through acts of corporate social responsibility, can generate strategic advantage to the firm through the development of intangible assets, as well as being of broader societal value.

This suggests that although there has been a shift towards individuals taking greater responsibility for employability through self-help and development, employers and the state have not, and should not, abrogate responsibility for employability. Employability is a collective endeavour.

3.4 Other related concepts

This section considers two key concepts: workability and the capabilities approach. The first concept originated in the health domain (rather than the labour market domain) and is illustrative of how concepts from other policy domains have been to some extent annexed by employability. The second approach adopts a broader perspective – the capabilities approach – that has been particularly influential theoretically and from a critical perspective.

3.4.1 Workability – a precondition for employability

Over the last decade the workability concept, developed by Ilmarinen and colleagues at the Finnish Institute of Occupational Health thirty years ago, has gained wider influence as it has been adopted or piloted in a number of European countries as well as beyond. Workability aims to achieve a balance between the person’s resources (their health and functional capacity, competences and

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12 Defined at the general approach to managing organisations that aims to stimulate more effective employee involvement and commitment to achieve high levels of performance (UK Commission for Employment and Skills, 2010a).

13 Results have been reported at four international symposia, most recently in Nygård et al. (2011).
values, attitudes and motivations) and work demands (the work organisation; the work community; and leadership) (Ilmarinen et al., 2005: 132). The work ability concept has been described as a “proactive preventative and holistic approach” that can enable individuals to extend their working lives as the concept “considers the interplay between all the factors that enable a person to function well in a job” (Maltby, 2011: 302). Kuperus et al. (2011) make the point that the work ability concept has evolved over time and has become closer to the concept of employability, but that the former remains distinctive with its predominant focus on health-related issues of people in employment and how their resources can be balanced with the demands of work. It has also taken on connotations of job quality.

Research on work ability emerged in Finland at the beginning of the 1980s when high rates of disability were recorded and population projections an increase in the number of older workers. Ilmarinen (2011) developed a Work Ability Index (WAI) within large scale longitudinal studies of Finnish municipal employees. Each employee completed a short questionnaire with ten questions, capturing seven dimensions of health and well-being (see Table 3.2) and the results were then used to calculate a WAI score, with less than 27 points indicating poor work ability in need of improvement and a score of 44 to 49 points representing very good work ability yet still requiring a focus on maintaining work ability (Tuomi et al., 1998). The WAI score in itself does not determine the exact nature of the course of action to tackle poor work ability; rather this needs to be examined by the employee and others in the workplace (with the relevant line manager or occupational health expert).

Table 3.2: Dimensions of the Work Ability Index (WAI)

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1.</td>
<td>Current work ability compared with the lifetime best (0–10)</td>
</tr>
<tr>
<td>2.</td>
<td>Work ability in relation to the (physical and mental) demands of the job (2–10)</td>
</tr>
<tr>
<td>3.</td>
<td>Number of current diseases diagnosed by a physician (1–7)</td>
</tr>
<tr>
<td>4.</td>
<td>Estimated work impairment due to diseases (1–6)</td>
</tr>
<tr>
<td>5.</td>
<td>Sick leave during the past year (12 months) (1–5)</td>
</tr>
<tr>
<td>6.</td>
<td>Own prognosis of work ability 2 years from now (1–7)</td>
</tr>
<tr>
<td>7.</td>
<td>Mental resources (enjoyment of regular daily activities; being active and alert; full of hope for the future) (1–4)</td>
</tr>
</tbody>
</table>

Source: adapted from Tuomi et al. 1998; (item range in brackets)

Further research has been undertaken or is underway in a number of countries (Finland, Austria, Australia and the Netherlands) to develop a survey instrument covering the dimensions of the work ability in Figure 3.3 (Ilmarinen 2011). In particular, Ilmarinen et al., (2005) used the Finnish Health 2000 Study, a large nationally representative survey of the over 30s, to analyse the role of different factors in determining work ability using multivariate regression analysis. For 55 to 64 year olds, health and functional capacity and work factors played the greatest role, while competence, values and family were found to be less important in explaining work ability. Broadly, similar results emerged for the entire group of 30 to 64 year olds included in the study. A key limitation of the survey was that it was not designed specifically to explore the role of work ability factors, and this may have led to an underestimation of the role of factors such as competence and values. However, this appears to be the first and only study that endeavoured to explore the role of most work ability factors.
A systematic literature review undertaken by van den Berg et al. (2009) identified individual and work-related factors impacting on the work ability index (WAI). Drawing on the 20 reports published between 1985 and 2006, the authors found that the number of studies reporting a positive association between work-related factors (such as age, lack of physical activity, obesity, high physical workload and lack of autonomy) and poor WAI outnumbered those with no or a negative association. A key finding of the review is that it showed that research had focused on individual and work-related factors, while studies on the impact of competences, values, attitudes and motivation on the WAI, as well as those on organisational context and social and economic policies on the WAI, did not feature in the reviewed publications. The authors caution against a generalisation of the results as most of the identified studies (seven out of ten) focus on Finland and mainly cover municipal employees.

A study of employees of different ages in small and middle-sized enterprises conducted in Finland in 2000 found that across all age groups most people had a good or excellent work ability, but that among the groups aged 45 plus there was a greater variation in work ability (from excellent to poor) than among younger groups (reported in Ilmarinen, 2006). Moreover, an 11 year follow up study by the Finnish Institute of Occupational Health among people aged 45 plus (Tuomi 1997, Ilmarinen et al. 1997) found that while work ability remained good or excellent for about 60% of the respondents and increased by at least 3 points for 9%, it decreased by at least 10 points for 29% (results were similar for both men and women). More recently, a large scale European survey of nurses (Camerino et al., 2006) found that the average work ability index (WAI) among staff nurses decreases with age and that this change is statistically significant. It also established an association between a low work ability score and the intention to leave nursing. The results also showed that, compared to younger colleagues, older people with a low work WAI were less likely to report thinking more often about leaving nursing, perhaps due to greater perceived difficulties of finding alternative employment elsewhere, but they were more likely than younger colleagues to think about it more often when they reported a higher number of sickness absence days.
As suggested in this section, work ability is a concept that is related to employability. Whereas employability is used in a wider set of contexts, work ability is more commonly used in relation to older workers. Health seems to play a more central role in the latter concept, although it is by no means ignored in studies considering employability.

3.4.2 **Capabilities – a broader notion than employability**

A concept that is related to, but broader than, employability is ‘capability’. The capabilities approach, as expounded by Sen (1985, 1999, 2005) moves beyond the inherently economic focus of the concept of employability to recognise work in broader terms as a key aspect of human life and well-being. In particular, it emphasises the importance of choice and of individuals living a life that they have reason to value (Bonvin, 2012), and in so doing foregrounds opportunities for agency and choice. So it is concerned with ‘functionings’\(^\text{14}\) and ‘capabilities’ (i.e. an individual’s real freedoms to achieve valuable functionings (Bonvin and Farvaque, undated). According to Sen (1993: 30-31): “The capability of a person reflects the alternative combinations of functionings the person can achieve and from which he or she can include one collection.” So, as encapsulated by Orton (2011: 355): “Sen seeks to replace utility with capabilities as objects of value”. Moreover, it is not a single capability that matters, but rather combinations of functions that an individual values (Sen, 2009).

The capabilities approach has been reviewed and discussed by several authors alongside, and in relation to, employability policy (e.g. Bonvin, 2008; Bonvin and Farvaque, 2003, 2005, 2006; Bonvin and Orton, 2009). From a capabilities perspective, labour market policies should not merely serve to increase the employment rate in such a way that the common good is predefined with a statistical reference against which to assess the value of actions/policies, but rather to enhance the functionings and capabilities of beneficiaries in order that they can lead a life and perform a job (if they should so choose) that they have reason to value. Hence, the capabilities approach places policies of skills development as a means to securing employment (i.e. skills policies couched in economic terms) as of less relevance than as a means of enhancement of an individual capacity to choose how to live and achieve happiness (Dean et al., 2005). Moreover, from a capabilities perspective, the economic and social opportunities need to be in place to enable individuals to be in a position to realise what they value. This underscores the importance of supportive contextual factors and access to resources – whether in terms of access to transport/ skills/ ICT, etc, the quantity and quality of local labour market opportunities and structures, or the macroeconomic context - to enable such choices to be realised. This means that rather than as in a conventional ‘work first’ policy framework in which securing a job is an individual responsibility and in which, from a backward-looking perspective, blame may be placed on individuals who are perceived to fail in this respect, the capabilities approach is forward-looking and emphasises collective responsibility for ensuring that support structures are in place to enable individuals to make decisions and pursue choices that they value.

Hence, the capabilities approach highlights the importance of a broad, as opposed to a narrow, conceptualisation of employability, with an emphasis on the ‘quality’ of employment, the ‘fit’ to individual aspirations and opportunities (including opportunities for skills utilisation) and capabilities for ‘voice’. The latter point about ‘voice’ emphasises that in order to be ‘capability friendly’ all partners’ points of view need to be taken into account in the design and development of public policy, including in active labour market programmes (discussed in more detail in section 7.1). So rather than local agencies being executive tools of centralised state objectives characteristic of many employability policies, a capabilities approach envisages a role for local agencies as largely autonomous actors with greater freedom to implement policies in accordance with the particularities of local situations and needs (Bonvin and Farvaque, 2003). As highlighted above, in turn this requires a long-term, as opposed to a short-term, perspective, and articulation between individual and collective responsibility (Bonvin and Farvaque, undated).

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14 ‘Functionings’ are what people are or do (e.g. they are healthy, they take part in community life, etc).
3.5 Overview

The concept of employability has a prominent position in academic and policy debates. Yet ‘employability’ is a contested and politicised concept, with no single universally accepted definition. A relatively simple definition of ‘employability’ is ‘the quality of character of being employable’. More broadly, it can be conceptualised as ‘gaining, sustaining and progressing in employment’.

Employability is a dynamic concept and its usage has varied over time. However, a general trend is evident towards a ‘broadening’ of the concept, albeit in operational models a focus on individuals, their skills and how they utilise them remains predominant. From an initial focus on the unemployed and the supply-side of the labour market, the concept of employability has widened to incorporate the employed and labour market contextual factors also, including aspects of labour demand. For this report, a broad employability framework is adopted, incorporating individual factors, individual circumstances and labour market factors. Reflections on this framework are presented in Chapter 11.

Further distinctions have been made in the literature between ‘absolute’ and ‘relative’ employability, and between ‘objective’ and ‘subjective’ employability. References are made to these concepts as and when they are of relevance in subsequent sections of the report.

A consistent question emerging from the literature concerns ‘who does/should take responsibility for employability?’ With on-going changes in the labour market, and a policy emphasis on flexibility and mobility (as outlined in more detail in subsequent chapters), there has been a shift towards an increasing onus on the individual for developing employability. However, enhancing employability is a collective endeavour, from which individuals, employers and the state can reap benefits.

There is also a growing interest in concepts related to employability. One such that is considered here is work ability. It has its roots in the Finnish occupational health literature, and which is concerned with ‘the interplay between all of the factors that enable a person to function well in a job’. Another concept is the related, and broader, capabilities approach, which places onus on the ability of individuals to choose to pursue employment that they value, and for the social and policy infrastructure, welfare regime and economic context to be supportive in enabling them to do so.
4. INDIVIDUAL FACTORS

This chapter looks at the attributes that make individuals able to find and sustain employment. These may range from skills that can be developed by the individual, be it in the short or long term, or attitudes and behaviours. Given that being able to find and sustain a job is also dependent on the individual circumstances and the labour market, these factors are touched upon; however, subsequent chapters in this report look at these more in detail. The chapter starts by discussing the relevance of basic and soft skills, leading to a discussion on employability skills in section 4.1. Section 4.2 looks at employability from a ‘person-centred’ perspective, section 4.3 examines perceived employability and section 4.4 provides further insight into adaptability and career mobility. Section 4.5 is concerned with measuring individuals’ employability and section 4.6 provides an overview.

4.1 Skills

4.1.1 Basic skills

‘Basic skills’ are defined as skills that individuals require in order to function in the adult world and include skills such as listening, speaking, reading, writing and mathematics (CEDEFOP, 2009). Technological changes in recent decades, together with changes in labour markets and economies, have meant that other skills are also required to participate in contemporary society. These ‘new basic skills’ include ICT skills; knowledge of foreign languages; social, organisational and communication skills; appreciation of technological culture; and entrepreneurship (idem). In economies with strong knowledge based sectors, basic skills are seen as a given and thus as necessary, but not sufficient, for finding and sustaining employment. However, even in countries with such economies there may be deficiencies in the level of basic skills amongst the population and in some countries new basic skills may be acceptable for some types of jobs. For instance, in an analysis of skills and training in Portugal between 1988 and 2000, Tomé (2007) found evidence of a dual labour market in which low skills and low education levels also contributed to employability. This can be explained by a development process “based on the exploitation of a pattern of competitive advantage gained through low labour costs” (p 337), which is nonetheless becoming less profitable due to increasing competition from countries like China and India. In this context, increased competition for low skilled jobs suggests that basic skills matter more and that they need to be coupled with other skills and attributes to ensure and sustain employability.

Bynner (2002) explored the hypothesis that a lack of basic skills is increasingly related to unemployment in the contemporary UK context. He argued that the transformation or disappearance of whole swathes of industry in the 1970s and 1980s led to a reduction in demand for unskilled manual labour. Under these circumstances, young people who chose not to continue in education but who sought to find jobs in the traditional way post compulsory education found their employment options limited. Bynner’s study explored the perception that those without even the basic skills provided by compulsory schooling are becoming increasingly disadvantaged in the UK. By analysing two national longitudinal studies (the 1958 Child Development Study and the 1970 British Cohort Study), he demonstrated that better numeracy and literacy are associated with shorter unemployment spells. An interesting finding was that women tended to display a weaker numeracy performance compared to men and that they “appear to be particularly disadvantaged by this lack of competence in an area that seems to be of growing importance in the modern economy” (Bynner, 2002: 26). Furthermore, the study showed a decline between earlier and later cohorts in employment status for those with and without basic skills, thus providing support to the

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15 10% of the individual sample in each study was contacted at age 37 for the Child Development Study and at age 21 for the British Cohort Study. At these stages, information was collected on participants’ functional literacy and numeracy.
idea that individuals with poor basic skills are less employable in the current labour market than would have been the case a few decades ago.

In another study, Meadows and Metcalfe (2008) explored the impact of participating in a basic skills course (Skills for Life, UK) on employment and employability measures. Taking a counterfactual approach (i.e., asking the question of what would have happened if the course had not been taken by participants) and by conducting quantitative analysis comparing participants against a comparison group selected based on propensity score matching, the authors were able to make an evaluation of the course impact. Although participation in the course did not appear to have a statistically significant effect on employment status, earnings or job satisfaction (in relation to pay, job security or promotion prospects), there was evidence of an improvement in longer term employability factors, i.e., on factors that can potentially help a person find an sustain employment. Participating in the Skills for Life training was shown to have a positive effect on employment commitment, attitudes toward education and training, self-esteem, and health, all of which can be seen as employability factors. This report yields support to the importance of basic skills in individuals’ employability and at the same highlights difficulties in demonstrating the effect of training courses aimed at building these skills.

The studies above provide some evidence of the importance of basic skills for employability. Manual jobs for which a good level of reading and writing plus other skills, such as communication and ICT, are not indispensable are increasingly less likely to be available. This is true not only in the UK, but is also applicable to other countries where the economy is changing due to the increased global competition for labour intensive jobs.

4.1.2 ‘Soft’ skills: “You recruit for attitudes and train for skills”

The quote in the title of this section corresponds to an employer that took part in Green and White’s (2007) study of young people’s access to employment discussed in section 0, but that is relevant here since it gives an indication of the position of some employers in relation to ‘soft’ skills. Together with basic skills, these behavioural skills, attitudes and non-technical skills have been found to be relevant to a person’s ability to gain and sustain employment. The following five clusters proposed by RPIC-ViP (2011) can be seen as encompassing the range of skills that can be labelled soft skills:

- Personal effectiveness skills (e.g., self-esteem, creativity, flexibility, lifelong learning);
- Relationship and service skills (e.g., customer service, interpersonal communication);
- Impact and influence skills (e.g., leadership, organisational awareness, development of others, communication);
- Achievement skills (e.g., achievement orientation, efficiency, proactive approach, initiative, Planning and organisation); and
- Cognitive skills (e.g., analytical and conceptual thinking skills).

Some of these skills have been discussed in the literature in different ways. In relation to service skills, Belt and Richardson (2005) conducted a qualitative study of “pre-employment training initiatives designed to prepare participants for work in the call centre industry” (p 259). The study was based on five case studies in England and considered low-skilled unemployed individuals, including the long-term unemployed. The authors found that relationship and service skills were among the skills that employers were looking for and which were in short supply. An interesting aspect of this study is that it provides evidence on the mismatch between the skills of long-term unemployed individuals and employers’ stated skills needs. From the employers’ point of view, there were skills shortages in relation to: “interpersonal and communication skills; customer service experience; confidence and self-presentation; basic literacy and numeracy; and, to a lesser extent, basic computer skills” (pp. 262-263). However, the main concerns of individuals that took part in the training programmes (aimed at providing them with the skills to be able to obtain employment in local call centres) were on their level of IT skills and typing needs. This mismatch was partly
attributed to a lack of communication between employers and training providers, which was reflected in the training aims and objectives of the courses and the employers’ focus on ‘social skills’ including confidence, communication, and self-presentation was not conveyed successfully to participants.

The need for soft skills, however, is not confined to low-skilled jobs. Marks and Scholarios (2008) conducted a series of case studies in the Scottish software industry and found evidence of the increasing importance of social skills in technical knowledge work. The study drew upon observations and interviews gathered from four organisations seen as representative of the Scottish software sector. Results suggest that employees are increasingly expected to possess both soft and technical skills, and to recognise the market value of this diversification. In spite of this, the authors found little evidence of training provision to address the increasing need for soft skills. Comparing this study to Belt and Richardson (2005), it is possible to observe two very different environments in the UK: one where technical skills are basic and easy to gain with on-the-job training; and one where technical skills are still an important asset and thus serve to increase a person’s employability. However, in relation to soft skills, there are similarities. For instance, in both cases, customer service and interaction were seen as important skills that were nonetheless difficult to instil through training (suggesting that it might be easier to provide training for hard skills than for soft skills). Both studies concur in highlighting the importance of soft skills for gaining employment and for career development.

Nickson et al.’s (2012) study takes the soft skills argument further and suggests that in some UK sectors soft skills are more important than formal qualifications or technical skills. In their empirical study of the demand for skills in the fashion retail in industry in the UK (retailers in the Manchester area), the authors found that the skills required for staff in performing the front-line job included the ability to work with others, ability to deal with customers, being available (i.e., flexibility), product knowledge, work ethic, outgoing personality, and dress sense and style. The authors concluded that employers in this sector are “more concerned with the soft skills of applicants, particularly having the ‘right’ attitude and appearance, the latter being associated with “displaying a certain sense of style” (p 77). This study provides evidence of the importance for soft skills and suggests the need to align employers’ needs in this respect to training opportunities, particularly for the unemployed. Also important is their suggestion that “middle-classness is being recast as a skill” (p. 79). This argument – also proposed by Belt and Richardson (2005) – has implications for the development of future training and education policies but suggests a displacement effect whereby students and young graduates from a “middle class” background (who are more likely to already have the desired soft skills) would be recruited in preference to unemployed job seekers.

The three studies mentioned here suggest that soft skills are important for employability. There is in some ways an indication that soft skills are characteristic of people who happen to be of a certain age, gender or social class (i.e. with certain fixed or socio-economic characteristics). To raise the employability of groups considered to be at risk of exclusion such as migrants and older workers, and to overcome discriminatory attitudes in relation to fixed characteristics (as highlighted in section 6.3), focused efforts and initiatives may be required.

4.1.3 Employability Skills

As discussed in section 3.2.1, narrower employability frameworks are those that often focus on employability skills and leave aside contextual factors. It can be argued that narrower definitions are in cases necessary to achieve goals such as evaluating individual’s progress against the objectives of training interventions. Defining the skills required for employability is also important in order to provide education, vocational training and support that will help individuals develop the skills necessary to gain and secure employment. Efforts have been made to develop a picture of the skills required for modern employment and frameworks have been proposed in different studies (Brown et al., 2010; Bynner and Parsons, 2002; Krahn et al., 2002; Scarpetta et al., 2012;
Simmons, 2009; Worth, 2005). Drawing on these studies, the following list summarises some of the skills, values and characteristics that are associated with a person’s employability:

- Core knowledge;
- People and social skills;
- Specific job-preparation skills;
- Citizenship values;
- Academic skills (communicating, thinking, life-long learning);
- Personal management (positive attitudes and behaviour, responsibility, adaptability);
- Teamwork skills;
- Literacy, defined as the ability to understand and use printed information in a range of daily activities, and numeracy;
- Computer skills;
- Analytic and problem-solving skills and creativity;
- Self-management verbal self-guidance;
- Motivation and confidence, developing their ‘personal effectiveness’;
- Identity capital; and
- Trainability.

This list includes hard (technical) skills, soft (non-technical skills) and attributes and all can be seen as contributing to a person’s employability. Although all these skills can be labelled employability skills, the literature shows even narrower uses of this term. For example, in their review on measures of employability skills, Blades et al. (2012: 3) define these skills as those focusing on “personal, social and transferable skills seen as relevant to all jobs, as opposed to job-specific technical skills or qualifications” (emphasis added). From this perspective, employability skills can be seen as complementary to technical skills but pertaining to a different category. For research and evaluation purposes, broader definitions present more challenges than definitions that equate employability skills with a narrower set of attributes or abilities. Studies that claim to measure or study employability skills or some subset of such skills also face the need to focus on some specific, observable and measurable outcome and thus do not tend to use a broad definition of employability skills.

The UK Commission for Employment and Skills (UKCES, 2009) see employability skills as skills that facilitate the use of skills and knowledge in the workplace and which can be developed through experience (both in learning and work environments) and opportunities to reflect and integrate experiences into practice. They provide a definition of employability skills that draws on previous definitions and “take employability skills to be skills almost everyone needs to do almost any job” (p. 10). They accept that employability skills have been discussed for at least two decades, albeit using other terms such as core, key, essential, functional, generic or enterprise skills, or skills for life. Figure 4.1 shows the set of employability skills proposed by UKCES.

Figure 4.1: UKCES Employability Skills

As can be seen in Figure 4.1, having a positive approach to work, together with basic skills – numeracy, literacy and ICT skills – play a supportive role for self-management, problem solving,
teamwork and communication, and business skills. However, the report also stresses the importance of helping people acquire these skills over and above defining them. For this reason, the report moves on from defining this framework to discussing the role of employers, intermediaries and policy makers in helping individuals develop these skills.

A definition of employability skills that equates these to transferable soft skills raises difficulties in terms of measurement and assessment. Among the difficulties reported by Blades et al. (2012) in terms of assessing employability skills are the lack of systematic methods, the lack of confidence on behalf of the evaluators, and lack of funding. The authors highlight nervousness and lack of understanding in relation to assessing subjective skills. However, they also review examples of methods that can be useful in dealing with this subjectivity. For example, they suggest that timekeeping can be evaluated with attendance records and that portfolio-based assessment combined with reflection accounts can provide objective evidence of learning and development. These methods are not without difficulties but the authors stress the need to develop standardised methods to make evaluations more efficient and effective. The authors also discuss some commercial tools that have a record of having been used successfully. However, even in these cases there is a need to validate these measures and conduct further research to ensure their applicability.

4.2 Person-centred factors

The activities that individuals initiate and the decisions that they make in relation to their careers play an important part in determining their employability. These activities range from job search to continuous professional development and training. As highlighted in the discussion on responsibility for employability in section 3.3, Fugate et al. (2004) accept that the duty to develop knowledge, skills and competences belongs now to the employee and indicate that a person-centred emphasis “coincides with the major shift in responsibility for career management and development from employers to employees” (Fugate et al., 2004: 15).

In their study, McArdle et al. tested Fugate et al.’s model using a sample of unemployed Australians and explored the relationship between employability and 1) self-esteem; 2) job search; and 3) re-employment. They found that employability explains “20% of the variance of self-esteem and 42% of the variance in job search” and also “16% of the variance in re-employment” (p 259). They also found that adaptability, career identity and social support contribute significantly to employability. This of course needs to be explained in relation to the measures used: adaptability was measured by in terms of ‘proactive personality’ and ‘boundaryless mindset’ using established scales which include items such as “I excel at identifying opportunities” and “I enjoy jobs that require me to interact with people in many different organisations”, respectively. Similarly, career identity was measured using a career self-efficacy scale. Education was used as a proxy for human capital, and social capital was measured using two items regarding attendance to networking events and being in contact with knowledgeable individuals in the area of interest. This study, therefore, provides support to Fugate et al.’s (2004) model, but also highlights the need to develop a purposefully defined employability scale. Using previously validated scales served the purposes of this study but an employability inventory would contribute to an improved measurement of this construct.

Fugate et al.’s (2004) constructs can also be observed in the employability-building strategies suggested by Smith (2010). This study discusses the activities that workers and those seeking employment conduct to make themselves more attractive to employers. The author argues that in contemporary job markets, and particularly in times of economic recession, actively “cultivating human, cultural and social capital has become essential for employment and mobility” (Smith, 2010: 280). Focusing on trends in the US, Smith proposes three strategies that workers (or aspiring workers) use to enhance their chances of becoming or continuing to be employable: 1) by developing a personal identity that is more aligned to what employers seek; 2) by engaging in networking and training to extend their human and social capital; and by taking up unpaid (e.g., volunteering, internships) or marginally paid work (e.g., temping).
Smith recognises that these activities are likely to be conducted by those in skilled or highly skilled occupations, such as information technology, media, advertising and management professionals. For those in lower skilled occupations, developing a more employable identity may consist of making changes in personal presentation and adopting ways of interacting (e.g. avoiding slang) that are more aligned to the profile sought by employers. Whereas training may be difficult to access for disadvantaged individuals who cannot afford to pay for it themselves and do not have an employer to provide it, networking is a more available resource, although it is different to the type of networking done in more skilled occupations. As the author stated: “networks of the working poor, even though limited, are often regulated by network members” who may use them as “avenues to jobs for members of their own community” (Smith, 2010: 290); (see also the discussion in chapters 4 and 5 on social networks and access to jobs). In relation to taking up unpaid employment, this requires that the individual has access to an alternative means of support (e.g., parents willing to cover living expenses for the duration of the internship) and this clearly disadvantages those who do not have additional funding to invest in volunteering or unpaid employment to develop their human capital. In relation to this, Smith questions whether in accepting the employability discourse we accept the terms and conditions imposed by flexible employment relations:

“Creating and sustaining employability raises thorny issues about the degree to which we accept and make possible the precarious aspects of the new economy. [...] In regulating ourselves to continually sharpen skills and retool, spending considerable amounts of time off the job networking, and accepting positions that add value to organizations yet for which we receive little or no compensation – all seemingly in our interest – we consent to the inequalities and the practices of current employment relations and labour market arrangements. We accommodate to and articulate the discourses of employability – even if cynically – and try to access resources and opportunities in economic institutions that may or may not reward us for these efforts.” (Smith, 2010: 294)

Smith’s analysis of the strategies through which individuals seek to become or remain employable points toward person-centred theories of employability, but the author does not make this relationship explicit. Nonetheless, career identity, personal adaptability and building social and human capital are clearly present in Smith’s arguments and examples. Whilst Fugate et al.’s (2004) is a theoretical study, Smith’s (2010) contribution is based on the existing literature. The latter is relevant to this review since it considers the inequalities that a person-centred approach may imply and discusses differences between employability strategies used by people from different occupations and from different socio-economic groups. Moreover, the contribution of Smith’s paper can be seen as a providing a set of propositions about employability which, in contrast with Fugate et al. (2004) framework, have not been operationalized and tested. Nonetheless, evidence beyond that considered in the paper support Smith propositions. For instance, a study by the National youth Agency, UK, found that young people involved in volunteering perceived that this activity had improved their personal and interpersonal employability skills, in particular self-confidence and communication (Blades et al., 2012).

4.3 Perceived employability

Perceived employability and self-efficacy have are related but distinct concepts. The studies in this section refer to the former, although self-efficacy measures may also be used. Perceived employability (i.e. the ‘subjective’ as opposed to the ‘objective’ employability referred to in section 3.1) refers to a person’s view of their ability to gain and sustain employment.

4.3.1 Perceived employment and self-efficacy

The concept of perceived employability is related to that of self-efficacy, defined by Bandura (1997) as a person’s judgements of their own capabilities. For instance, from a careers counselling
career self-efficacy is defined as “people’s expectations regarding their ability to perform various career search activities, including personal exploration, career explorations, and job search activities” (Solberg et al., 1994: 64). Bandura’s conception of self-efficacy indicates that it should be domain specific and that it makes no sense to talk about self-efficacy in general terms. In other words, self-efficacy can only be measured in a specific domain where specific skills and activities can be measured. From an employability point of view, self-efficacy could be seen as a person’s expectation about their ability to find employment. However, finding employment may depend on individuals’ beliefs about their ability to identify suitable jobs, establish appropriate networks, etc., but at the same time, it depends on the person’s actual skills and other factors such as having previous training or qualifications, or labour market factors that are beyond the individual.

Berntson et al. (2008) contested the idea that (perceived) employability and self-efficacy are related by exploring the relationship between these two concepts. The study made use of data gathered through a longitudinal survey that collected data from Swedish individuals at two points in time, one year apart (n=1,730). The study showed that although employability and self-efficacy reflect related qualities, the qualities that define them are distinct. While self-efficacy reflects a “the general feeling of how to perform tasks”, employability “is closely connected to specific knowledge (e.g., skills that are the result of education and training)” (p 421). The authors argue that this general feeling of being able to perform tasks does not contribute to a person’s perceived employability. The model presented is limited since it does not consider individual circumstances such as type of employment, or external factors such as the socio-economic environment. However, the study provides some evidence on the difference between employability and self-efficacy.

4.3.2 Perceived employability in relation to other factors

Using the National Working Life Cohort in Sweden, Berntson and Marklund (2007) found a relationship between perceived employability and two health indicators: global health and mental well-being. These indicators were measured by asking “How do you perceive your health status at the moment?” and about how they participants had felt the previous week with regards to symptoms such as “I am calm and peaceful”, respectively. The authors controlled for environmental factors and the measure of employability was the “mean value index of five items […] related to the respondents’ perceived skills, experience, network, personal traits, and knowledge of the labour market” (p 283). The results suggest a relationship between perceived employability and perceived health. Moreover, this was a longitudinal study, which allowed the researchers to suggest that perceived employability is related to better health and well-being at a later stage (and by design, the study did allow causality to be established). However, the study did not show any relationship between perceived employability and physical complaints (such as back pain), highlighting the psychological nature of the concept of perceived employability. They used age, gender, and educational level “to control for the relationship between perceived employability and health, since these background variables are known to be related to both employability and health” (p 282), but these variables were reported as, overall, non-explanatory.

In another study, Wittekind et al. (2010) used the literature on employability to develop and test an integrated model of the factors affecting perceived employability. A survey was conducted with employees at different employment grades working for three companies in Switzerland and data was gathered at three points in time, enabling a longitudinal analysis. The authors found that job related skills (measured by participants’ own views on having up-to-date skills, a good work history, need for training or education, and good qualifications) are important for perceived employability, whereas being aware of opportunities and self-presentation skills were found to be less relevant. They also found that age played an important role in perceived employability, with older workers feeling that it would be more difficult for them to look for alternative employment. In relation to this, an important conclusion of this study was that “perceived employability is largely dependent on variables that can hardly be influenced by organisations or individuals” (p 583). On the other hand, one of the weaknesses of this study was that companies that participated in the study had a
predominantly male employee population and this raises question on how results would have differed if more mixed environments or environments with a predominantly female workforce would have been considered.

Although the studies above demonstrate associations between employability and other factors, their data analysis does not allow causal relationships to be established. Green's (2011) study using longitudinal panel data from the Household, Income and Labour Dynamics in Australia Survey (HILDA) sought to establish some degree of causality between employability, job insecurity and well-being. The study investigated the hypotheses: 1) "how far the ill effects of job insecurity are added and compounded by lack of employability" for those in employment; and 2) "how far employability is also important for mitigating the impact of unemployment on well-being" (p 267). The results indicated that perceived employability reduces the negative effects of job insecurity for employees. As for the unemployed, employability was found to counteract the negative effects of being unemployed, this effect being greater for low educated individuals. In this study, employability for the unemployed was measured by the following question: “What do you think is the per cent chance you will find a suitable job during the next 12 months?” (p. 268). Similarly, employed respondents were asked about their perceived chances of losing their jobs and of finding and accepting a job at least as good as the present one. The measure of well-being used (the dependent variable) made use of life satisfaction and subjective mental health items of the HILDA survey. Finally, the data was analysed independently for men and women but no salient results were reported in relation to gender differences. This study shows that perceived employability impacts on job security and well-being and suggests that job losses will be experienced differently depending on how difficult a person thinks it will be for them to find alternative employment.

The studies in this section suggest that there is a relationship between a person's perception of their ability to find employment and other factors, such as perceived health, job related skills. In relation to age, one of the studies provides evidence that older people are less confident about this ability. Perceived employability was also found to help mitigate the negative effects of being unemployed.

4.4 Adaptability and mobility

A final element of individual factors influencing the enhancement and development of employability skills is that of adaptability and mobility.

4.4.1 Boundaryless career

As touched on in Chapter 2, labour market changes and increasing mobility have led to a move away from ideas of traditional careers and a 'job for life', towards the concept of the "boundaryless career", defined as being mobility across organisational boundaries. The concept attempts to capture the complexity of careers in the current labour market (Chudzikowski, in press; Rodrigues and Guest, 2010) and supports understanding of the role of networks in shaping careers and identity at work. There are numerous studies of the boundaryless career and its association with employability (see Chudzikowski, in press; Dries et al., in press; Hess et al., in press; Rodrigues and Guest, 2010; Van Buren, 2003). However, by integrating the concept of the boundaryless career with the economics of job stability, Rodrigues and Guest (2010) argued that the traditional organisational career still exists and the concept of the boundaryless career is merely another approach to understanding careers.

Much of the recent research on boundaryless careers has focused on the behaviours and factors that influence boundary-crossing careers. Employees in Australia were found to be open to career exploration and change, which had a positive impact on organisational commitment (Hess et al., in press). However, it was noted that more research is needed on the interplay between individual behaviours and organisational concerns. Dries et al. (in press) undertook a large scale survey of employees (those considered to be leaders, experts and average performers) from 12 international organisations. Their research focuses on job security, organisational support, promotions, career orientation, loyalty and commitment, and career satisfaction. They found that those with high
career orientation and satisfaction were more likely to be above average performers (i.e., leaders and experts). Overall, it is concluded that both traditional and boundaryless careers are successful, so skills to achieve both are desirable in the current labour market.

In contrast to the research on high performers, van Buren (2003) discusses the idea that boundaryless careers are advantageous to those types of employees as they are able to gain employability skills more readily via the opportunities available to them. He argues that it was the responsibility of employers to ensure all employees developed employability skills so that they were able to gain employment in the external market. Importantly, he states that by developing employability skills, individuals would be ‘good employees’ – committed plus exhibiting enhanced skills and skills that could be transferable within the organisation. He argues that the development of employability skills was not simply an individual’s responsibility and that within boundaryless careers employability skills were a necessity. Research on IT professionals also discusses how new organisational forms could develop individual employability and act as a driver for supporting career trajectories (Rothwell et al., 2011). This is based on the idea that a shared, open workspace enabled opportunities for employees to develop new skills on-the-job, thereby enhancing their employability.

Chudzikowski (in press) studied the association between high career mobility, employability and career success in the boundaryless career. Austrian business graduates’ career transitions were examined in terms of occupational and organizational mobility and job progression, together with objective careers success. Her research supports the findings of Rodrigues and Guest (2010) that the traditional career is still in existence despite the complex and changing labour market. Enhanced employability is evidenced in functional transitions (i.e., horizontal transitions), as requires the employee to be flexible and willing to invest their learning and skill development. Career transitions were found to encourage individuals to develop new skills and competences. Her research also shows that graduates have high levels of employability.

4.4.2 Career adaptability

A literature review on understanding employability in a changing career context noted reoccurring discussions on individuals enhancing their employability by having the capacity to be flexible and adaptable in their careers and work (Clarke, 2008). It was noted that this type of attitude or behaviour did not guarantee employment success or sustainability, but did help. Clarke (2008) argued that sustainable employment was not only influenced by individual characteristics, but also an employer’s perception of how that individual will perform. She concluded that offering careers support is one area in which to develop transferable skills, which are of benefit to the individual and the wider labour market. The role of labour market intermediaries and of careers support in enhancing employability is discussed in more depth in section 7.3.

Brown et al. (2012; see also Bimrose et al., 2011) conducted an empirical, qualitative study exploring the role of career adaptabilities of individuals who had moved across occupations and career sectors in two contrasting labour markets: the UK and Norway. The study explored whether and how career adaptability could impact positively on skills development and supply in the UK by encouraging and supporting individual self-sufficiency. Based on data consisting of semi-structured interviews, the authors were able to advance four propositions about career adaptability: 1) challenging work provides opportunities to develop ‘adapt-abilities’; 2) updating substantive learning is necessary for career adaptability; 3) individuals learn to adapt through interactions at work; and 4) self-directedness and self-reflexiveness (in harnessing learning and development opportunities) are necessary for career adaptability. A limitation of the study from the viewpoint of this review is the predominant focus on people in occupations for which a high level of skill is required. However, the study does provide insight into career adaptability beyond a person-centred perspective by going beyond the individual and considering their external context as well. This is reflected in the working definition of adaptability used in the study:
“the capability of an individual to make a series of successful transitions where the labour market, organisation of work and underlying occupational and organisational knowledge bases may all be subject to considerable change” (Brown et al., 2012).

The study recognised that in the current labour market, individuals need to be better equipped to be more resilient and to manage risk and uncertainty (Bimrose et al., 2011). Individuals were then found to be able to learn to develop and effectively apply career adaptive competencies. With career adaptability skills, young people and adults (at all stages of their career) were able to engage in learning and development activities, plus manage the increasingly demanding contexts within in which they worked and learnt; (external labour market factors and employability are discussed further in Chapter 5).

It is relevant to note that Brown et al. (2012) uses Savickas and Porfeli’s (2012) competency approach as its theoretical framework. This approach suggests that career problems are only part of a broader range of concerns about ‘how to live a life’ in a modern world affected by global issues such as information and technology and the economy. From this perspective, employability is necessarily embedded within a social context at the same that that it is affected by psychological factors.

4.4.3 Occupational mobility

Working life has become increasingly flexible, characterised by higher levels of job mobility and occupational change, so employability is then essential for individuals to navigate their careers, move between jobs and engage in sustainable employment. Hence, employability skills are becoming increasingly important for individuals to manage their careers. Garavan (1999) discussed the importance of employability skills and individual responsibilities for developing career self-management skills. He argued that it was important to enhance skills in order to gain job security, partake in high-level jobs and experience occupational mobility. In these terms, an ‘employable person’ was defined as “self-confident, committed, adaptable, flexible, a teamworker and an articulate communicator.”

Continuing vocational training is seen as vital for enhancing people’s employability and adaptability during their working life. Brown et al. (2010) undertook research across Europe to investigate the importance of opportunity structures for individual career development. This project also investigated employees’ responses and strategies that are needed to cope with more flexible working patterns and employment, changing skills requirements and instabilities in the labour market. A literature review was undertaken together with a small scale online survey across ten European countries. Widening opportunity structures were found to be useful in encouraging individual aspirations, occupational mobility and participation in continuing vocational education and training (Brown et al., 2010). Opportunity structures were defined through the principles of flexicurity, including lifelong learning strategies, effective active labour market policies, mobility and recognition in the importance of up-skilling (Brown et al., 2010: 8). A review of evidence on enhancing employability also highlighted the importance of engaging in learning and training activities to develop human and social capital (Smith, 2010). Identity work, networking and employment in other sectors (in low skilled or unpaid positions) were also identified as ways in which to enhance employability. Smith (2010) argued that by undertaking these types of activities human, cultural and social capital would be cultivated and this would in turn enhance individual employability.

4.5 Measuring individuals’ employability

An important aspect to consider in relation to measuring employability is that work in the twenty-first century is characterised by an emphasis on individuals’ responsibility to develop and sustain marketable skills and employment prospects (Clarke, 2008). It should be remembered, however, that a focus on skills for, and participation in, formal work hides the fact that many people are very employable, but are not in paid, formal employment, while still contributing very actively to society.
Thus, measures of employability tend to focus on the individual and the importance of other factors is recognised by dealing with these as contextual elements. However, this is done to various degrees and there is considerable variation in the extent to which contextual layers beyond the individual are considered (as outlined in Section 3.2). The current section considers different approaches taken to measuring employability.

4.5.1 Measuring employability skills

Measuring employability skills is not new and tools to assess whether individuals possess the skills that will allow them to find and sustain employment have been available for some decades. For example, Carey (1997) provides a thorough description of tests to determine the employability of vocational students, including elementary, high school, college and adult students in the USA. Questions posed in this study to guide the identification and evaluation of measurements highlight important aspects of this process, including: (1) What employability skills should be measured? (2) What tests and/or assessments are available to measure employability skills?; and (3) Do the available tests and/or assessments measure the desired employability skills?

In relation to what skills to measure (i.e. question 1 above), there is some general agreement in the literature with the idea that employability skills are not those that are job specific but generic across sectors and to some extent non-technical (Carey, 1997; Devins et al., 2011). In a more recent study on measuring employability skills in the UK, Blades et al. (2012) adopted the UK Commission’s for Employment and Skills (2009) definition and focused their report on measures that evaluate “the skills almost anyone needs to do almost any job” (Blades et al., 2012: 5). The latter report also acknowledged other terms that are sometimes used interchangeably such as ‘soft outcomes’, ‘practical skills’, ‘life skills’, ‘soft skills’ and ‘character capabilities’. Therefore, there is some agreement that the employability skills are not those specific to a particular sector or job description but transferable across different contexts. Although the importance of formal qualifications and hard skills is recognised, these are considered as separate. (The use of formal qualifications as a measure of employability is briefly discussed below.)

Carey’s (1997) second question refers to the tests and assessments that are available to measure the employability skills defined above. The author identified 41 such measures/tests and concluded that 27 of these can be administered to adults and some can be used by employers. The tests considered measure the skills identified by the Secretary’s Commission on Achieving Necessary Skills (SCANS) discussed in section 3.2.1, as well as employability skills identified in other related skills frameworks. In the UK, Blades et al.’s (2012) review focused on “programme evaluations that included assessments of young people’s employability skills” and found that “measurement of employability skills is still not de rigueur” (p 32) in these programmes.

Although Carey’s (1997) comprehensive list suggests that the measures/tests available measure the desired employability skills, Blades et al. (2012) are more sceptical and indicates that “most evaluations included relatively generic assessments of employability skills” (p 5). The latter authors found commonalities across measurements and thus potential for the development of an overarching measurement that could be adopted and adapted by different programmes. The skills measured were identified as:

1. Confidence;
2. Problem solving;
3. Interpersonal skills;
4. Communication;
5. Planning;
6. General awareness of and preparedness for work; and
7. Writing CVs or job applications.
From an employability services perspective, “one of the central functions of assessment is to develop a plan and interventions for the client that will bring the appropriate service to them at the right time” (The Scottish Government, 2009). This requires thus not only the assessment of outputs but also of outcomes such as individual participants’ distance travelled. According to Blades et al., (2012) government departments in the UK have focused more on providing guidelines to help organisations or programmes in developing their own indicators without endorsing any specific tool. As the authors emphasise, there is a need to develop rigorous and trustworthy methods for assessing soft skills and progression towards employability.

On the other hand, however, Blades et al. (2012) also discuss the existence of commercial tools such as those by businesses to assess the skills of new staff. Among these tools they list SOUL Record,16 Outcomes Star,17 Spirit Level,18 and the Rickter Scale.19 Typically these tools use scales (e.g. from 1-10) to measure different dimensions of interest / relevance, and may provide a guide as to where foremost policy attention should be focused. The authors’ appraisal of these tools is that there is a lack of evidence in relation to their validity and reliability of but suggest that the Outcomes Star for Work and Learning “may have potential for adaptation into a tool that covers each key area of employability” (Blades et al., 2012: 18). Such tools are also used by personal advisers working with economically inactive and unemployed people at different points in time to measure the changing severity of different individual and contextual barriers to employment and to measure progress on dimensions such as confidence, self-esteem, etc.

4.5.2 Quantitative and qualitative measures of employability

A common way investigating individuals’ employability is to model employment situation as a dependent variable and other factors as independent variables. This allows researchers to consider the wide range of elements that may influence employability and to potentially cover other aspects including individual factors and circumstances, organisational practices, and local as well as macro contextual factors. This approach is commonly taken by quantitative and mixed-methods studies, although qualitative studies are also well-suited to investigating the interrelationship between a person’s employment situation and their environment. For instance, McQuaid (2006) defined employability as success in securing employability and investigated this factor vis-à-vis other factors such as individual factors, demographic characteristics, adaptability and mobility, and external factors.

In depth studies of employability tend to adopt a broader concept of employability and to utilise qualitative approaches to investigate employability with a focus on specific groups of individuals. These studies could be seen as limited in terms of the generalisability of their results, but they have the advantage of providing explanations as to how employability interrelates with other factors and can potentially ‘open up the black box’ of how employability is developed or experienced. For example, Linsday et al. (2003) looked at the difficulties experienced by long- and short-term unemployed individuals living in rural areas in relation to finding employment and concluded that skills, work experience, social networks and location affected their prospects. In this case, the measure of employability was the ability to find employment, contextualised within a broader employability framework. Another example is Clarke’s (2007) study of employability for individuals accepting voluntary redundancy. This study explored issues such as: perception and canvassing of career options, and self-perceptions of employability before and after leaving an organisation.

16 http://soulrecord.org/
17 http://www.outcomesstar.org.uk/
18 http://www.spiritlevel.org.uk/
19 http://www.rickterscale.com/
4.5.3 Qualifications

Qualifications can be seen in particular contexts as necessary but seldom as sufficient for finding employment and no studies were identified which used this as a sole measure of employability. Clarke (2007) cites two studies providing evidence of employers ranking qualification (in terms of importance) below a list of other qualities such as honesty, punctuality, experience, conscientiousness, adaptability, drive, values fit, communication skills and job knowledge. Nonetheless, at least at the professional level, employers extract information about participants from their educational experience including technical expertise, capacity, personality and motivation (Dafou, 2009). As indicated by Wittekind et al. (2010), human capital theory accepts that qualifications can be used as proxy for an individual's human capital and are expected to have a positive association with increased earning and productivity (Wittekind et al., 2010). The authors, however, add to this that this measure of human capital is insufficient and propose a more complex measure that includes competence development. Thus, on its own, level of qualifications is a limited measurement of employability but it can be used to complement other measures.

4.5.4 Perceived employability and career self-efficacy

From an organisational perspective, it is possible to talk about the effects of the work environment on employability. The way studies have operationalised this is by focusing on 'perceived employability', or an individual's perception of the likelihood of finding or sustaining a job and progressing in it. For example, Kinnunen et al. (2011) explored the relationship between perceived employability and job exhaustion, psychological symptoms and self-rated job performance in voluntary and involuntary temporary employees. Their measure of perceived employability consisted of a six-item test (with responses rated on a seven point scale) that included aspects of job mobility (e.g., how difficult respondents thought finding a job would be) and relevant social networks (e.g., whether respondents had contacts who could help in finding a job).

Similarly, Berntson and Marklund (2007) constructed a measure of perceived employability that consisted of five questions including 'items related to the respondents' perceived skills, experience, network, personal traits, and knowledge of the labour market (e.g., "I know of other organisations/companies where I could get new work") (p 283). The authors combined this measure with measures of health and wellbeing at work and ran multiple hierarchical regressions to test whether perceived employability contributed to predicting employee health and wellbeing.

A concept that is related to perceived employability is career self-efficacy. Self-efficacy measures in this respect include tools to assess individuals' "beliefs about their ability to obtain and remain in work and advance (existing) professional careers" (Blades et al., 2012: 19). Although these concepts have been conceptually related to each other and it has been proposed that they are interchangeable, Berntson et al. (2008) scrutinised their relation empirically and showed that perceived employability and career self-efficacy are separate constructs, distinct from one another. As the authors explained: "Employability is closely connected to specific knowledge (e.g., skills that are the results of education and training), whereas self-efficacy to a greater extent reflects the general feeling of how to perform tasks." (Berntson et al., 2008: 421).

Measures of employability skills such as perceived employability, career self-efficacy and employability orientation (discussed below) are based on individuals reports of their feeling and experiences and can be problematic due to their reliance on individual's subjective assessments of themselves (Blades et al., 2012). Nonetheless, there is empirical evidence of the strength of career self-efficacy and perceived employability as predictors of career behaviour and their associated measurement tools have been considerably developed (Berntson and Marklund, 2007; Lent and Hackett, 1987; Solberg et al., 1994).

4.5.5 Employability orientation

Employability orientation has been defined as individuals' "openness to develop themselves and to adapt to changing work requirements" (Nauta et al., 2009: 234). Van Dam (2004) argues that
employability orientation is highly relevant given organisations’ emphasis on flexibility and the need for employees to develop new skills and knowledge to adapt to work situations. To measure this aspect of employability, van Dam’s study used a seven-item tool which used a four-point scale and included questions such as “If the organization needs me to perform different tasks, I am prepared to change my work activities” and “In case of organizational changes, I would prefer to stay in my present job”. The author found that employability orientation was related to positively to openness, initiative and career anchors, and negatively associated to tenure and continuance commitment. Nauta et al. (2009) used van Dam’s measurement of employability orientation, although the former used only four of these items. Nauta et al.’s aim was to study the impact of employability culture, career satisfaction and role breadth self-efficacy in promoting employability orientation. Thus, as is the case for perceived employability, employability orientation can be used to assess the relationship between the work environment and behavioural aspects of employability.

4.5.6 Measuring employability: a practical example

The ‘Get Yourself Hired’ test, one example of good practice identified in accompanying reports (Behle et al., 2012; de Hoyos et al., 2012) was developed using various scales to measure employability. The BBC Lab UK Get Yourself Hired Test aims: (i) to provide job seeking advice for young people to develop their employability; and (ii) to provide robust data for analysis to inform policy and practice in this area. The measures of employability utilised in the test include:

- The Resilience Scale – measuring five characteristics of resilience (meaningful life (purpose); perseverance; self-reliance; equanimity; and coming home to yourself (existential aloneness) (Wagnild, 2009);
- The General Self-Efficacy Scale – measuring perceived self-efficacy and the belief that an individual can perform new or difficult tasks, or cope with adversity (Schwarzer and Jerusalem, 1995);
- The Zimbardo Time Perspective Inventory – which scores 56 characteristics, asking how true each is for the individual. The Inventory focuses on how individuals develop time orientations that categorise personal experience into past, present, and future (Zimbardo and Boyd, 2008);
- The Multi-dimensional Work Ethic Profile – using a 65-item inventory to measure seven distinct facets of the work ethic construct (Miller et al., 2001);
- The Inventory of the Dimensions of Emerging Adulthood (IDEA) – using scales to measure five characteristics of adulthood (identity exploration; experimentation/possibilities; negativity/instability; other-focused; self-focused; feeling ‘In-Between’) (Reifman et al., 2007);
- The BBC Wellbeing Scale – using a 24-item questionnaire to explore and measure the causes and origins of both mental health problems and happiness (Kinderman et al., 2011);
- The Transferable Employability Skills Scale (TESS).

20 Defined as “a pattern of self-perceived interests, abilities, and motives, which functions as a stabilizing force in guiding future career directions and decisions” (van Dam, 2004: 33).
21 The data will allow researchers to build a better picture of employment prospects for young people, and find out what makes a successful jobseeker.
23 [http://userpage.fu-berlin.de/~health/engscal.htm](http://userpage.fu-berlin.de/~health/engscal.htm)
25 [http://courses.ttu.edu/hdfs3317-reifman/IDEA.htm](http://courses.ttu.edu/hdfs3317-reifman/IDEA.htm)
26 Developed by Professor Rachel Mulvey (2011) as part of the BBCLabUK initiative.
4.5.7 Overview on measuring employability

It is clear from this review that there is ongoing debate as to precisely what should be measured in relation to employability, although there tends to be an emphasis on measuring skills / dimensions that are transversal rather than specific to particular jobs. There are also several different methods / tools in use for measuring employability. There is no single correct approach and methods adopted tend to reflect information available and the specific question / issue that is the focus of attention. What is clear that there is particular policy interest in assessing behaviour and behavioural change, and in measuring progress along an employability ‘pathway’.

4.6 Overview

It is clear that individual factors play a central role in people’s employability. Having the necessary skills, attitudes and behaviours determine, to a considerable extent, the ability of a person to obtain a job and build a career. However, as stressed in this report, employability is a relative concept and is also dependent on individual circumstances and labour market factors. Soft skills have been highlighted as valuable for employers and in some cases are seen as more valuable for recruiting purposes than formal qualifications or technical skills, particularly if employees can be easily trained to develop these skills.

A consideration of soft skills in relation to employability leads to frameworks of employability skills aimed at presenting the range of attributes necessary for employability. A number of frameworks have been developed in the US context, although other more recent ones can also be identified in Australia (see DEEWR, 2012). The aim of these frameworks is to link employers’ needs with professional and continuous education and training and thus consider employability from both a person and an environment perspective.

Some studies have focused on person-centred factors of employability and their argument for doing stems from the increased responsibility that is being placed on individuals to manage their own careers. However, even from this perspective the context is inevitably taken into account. Career adaptability figures prominently in person-centred discourses of employability and it may be said that considering a person’s ability to adapt to their work and labour market environment necessarily takes the context into account. The same can be said about occupational mobility.
5. **INDIVIDUAL CIRCUMSTANCES**

This chapter is concerned with how an individual’s circumstances might constrain or facilitate employability. First, work culture is considered (section 5.1) and it is argued that employability is affected by the work environment (e.g. tenure, working practices, etc.). Section 5.2 discusses neighbourhood impact, spatial mobility and social networks. Section 5.3 looks at work transitions and their implications for employability. Section 5.4 provides an overview of this chapter and some concluding remarks.

### 5.1 Work culture

Work culture is a vague concept, because it refers to all factors that make up the work environment, including formal and informal practices and interactions between management and workers. There is a reciprocal relationship between these factors and the individual, meaning that people construct work culture through their actions and interactions, and that at the same time they are influenced by it. In relation to this, Nauta et al. (2009) explored employability culture and found that it is positively related to employability orientation but negatively associated with turnover intention. The study used hierarchical regression analyses to examine individual and organisational factors in 702 health care and welfare sector workers in the Netherlands. Employability culture was measured by an eight-item scale including questions such as “in my organisation it is perceived as normal that employees change their jobs on a regular base” (p 239).

Employability orientation was defined as a person’s “openness to develop themselves and to adapt to changing work requirements” (Nauta et al., 2009: 234). The authors also found that being satisfied with one’s career is negatively associated with employability orientation as well as to intentions to change jobs; thus their definition of employability appeared to be representing employment mobility. The results indicated a strong and positive correlation between employability orientation and ‘role breath self-efficacy’. The latter refers to how confident people feel in relation to taking a more proactive role in their jobs. Thus, individuals confident in their ability to perform beyond their job requirements are more open to developing themselves and adapting to change, and are hence more mobile. The authors suggest that “organisations can retain their employees just by creating opportunities that facilitate leaving” (p 247).

While the study above considered the employability attitudes of already employable individuals (by virtue of being in employment) it is also important to consider the situation of those who are more at risk of being unemployed. Studies in relation to the ‘work’ cultures that may act against a person’s employability are necessary to complement the discussion on how individuals’ circumstances affect their ability to gain and sustain work. Family life is important in this respect. As Crisp et al., (2009) suggest tensions between childcare and work; limited flexibility for training or education due to caring responsibilities; and the neighbourhood context also form part of a person’s work culture but may have a negative effect on employability. Caring responsibilities might also constrain individuals to employment opportunities in the immediate local area, due to the constraints of trip chaining (i.e. the need to combine work-related and non-work-related travel) and the temporal constraints posed on paid employment through combination with non-work responsibilities. Some of these constraints may be overcome by opportunities to work at, or from, home, but evidence suggests that the growth in working at or from home tends to be led by those in higher level occupations (Felstead, 2012; Felstead, et al., 2007).

Studies providing evidence on some of these factors are discussed throughout this report.

### 5.2 Local area, spatial mobility and social networks

#### 5.2.1 Neighbourhood impact

It has been suggested that where a person lives has an impact on employability and that this can be related to education and development opportunities as well as access to social networks (as
highlighted in the discussion of young people in Belfast referred to in section 8.5). Neighbourhood effects on employability are difficult to measure due to the interplay of different factors, some of them intrinsic to the person and some relating to the environment (Galster, 2012).

Andersson (2004) suggested a conceptual model in which personal characteristics and the characteristics of the surrounding area (physical and socio-demographical) interplay with other factors to shape a person's socio-economic career. The author used this model to study the effect of neighbourhood on education, occupational status and income in three Swedish municipalities. A survey was conducted with a total of 2,467 individuals living in different socio-demographic and physical area types who had been resident for at least five years. Significant relationships were discovered between specific area types both in years of education and occupational status (employed or unemployed), but the impact of contextual influences on income was less evident. Among the results, it was reported that "it proved favourable for a longer education to live outside a [housing] programme area" and that "middle-class family areas and areas of detached houses were the most advantageous surroundings for a long education (in years)" (Andersson, 2004: 651). Clearly, these results are specific to the national and temporal context, but the broad association between more prosperous areas and better educational and labour market performance is generally applicable. Andersson comments that a major difficulty in studying neighbourhood effect is self-selection (i.e. that people with certain characteristics choose to live in certain areas). The study provides some evidence of the relevance of local area to a person's employability, but also points toward the need for further research.

Evidence from analyses of block level data from the US Census for the Boston Metropolitan Area showed that individuals residing in the same block are 33% more likely to work together than those in nearby blocks (Bayer et al., 2008). The authors conclude that individuals are about 6.9 percentage points more likely to work with at least one person from their block than they would be in the absence of referrals from neighbours. The referral effect is stronger when individuals share similar socio-demographic characteristics and where at least one of the individuals has a strong attachment to the labour market.

5.2.2 Spatial mobility

Spatial mobility may affect the likelihood of a person finding employment or moving between employers since some jobs may require the person to travel to work or even to change their residence. Those without the ability to do this (especially those without access to cars) will have faced a more limited choice of employment opportunities than more spatially mobile individuals (who also tend to have access to more extensive employment related social networks (as intimated in section 5.1).

McQuaid (2006) investigated mobility from the perspective of both 'spatial (and 'skills') mismatch'. A total of 169 unemployed job seekers in the travel to work areas (TTWAs) located around Edinburgh and Bathgate in the east of Scotland were surveyed at two points in time, with the second survey collecting information about the outcome of their job search. A binary multiple logistic regression model was estimated for which the dependent variable was defined as success or failure in finding employment, and the explanatory variables included individual factors, personal circumstances and external factors. "Accessibility to local jobs was found to be significantly and positively associated with job search success" (McQuaid, 2006: 418). Moreover, the results indicate that the probability of finding a job for those who had worked in a manual job was less than a third compared to those who had worked in a non-manual one. The study also showed a significant, positive association between finding a job and self-perceived verbal ability and professional qualifications. No association was found between gender and the likelihood of having found a job. However, age was found to be significantly related to being in employment six months later. A limitation of the result is the size of the sample and the relative specificity of the labour market.

In another study about mobility, Green and White (2007) investigated how young people's (aged 15-20) training and work opportunities are shaped by attachment to place and social networks. The
study consists of case studies conducted in three deprived neighbourhoods in the UK. Data was collected through surveys, focus groups and individual face-to-face interviews both with young people and stakeholders. The study found that how far young people are prepared to travel for work is affected by their social networks and in particular by the extent to which members of their family and friends travel to access work. Some of the participants had wide horizon in this respect but others were found to have “limited aspirations and restrict their consideration of opportunities to the immediate local area” (Green and White, 2007: 79). This study confirms qualitative and anecdotal evidence from other deprived areas in the UK, but it is likely that young people in wealthier areas will have wider horizons (as demonstrated by the greater propensity of young people in prosperous neighbourhoods to apply for universities remote from their home).

5.2.3 Social networks

Green and White’s study also suggests that neighbourhood impacts on career aspirations are transmitted at least in part via social networks. The study reported a localised outlook and a tendency to look inward and to value being close to family and friends, even if it meant trading off opportunities. In many cases, family and friends thus constituted an important network which could provide support in relation to their future careers. However, this support could be limited or in some cases have limiting effects by restricting rather than expanding or improving the available options. In relation to social networks, the authors mentioned that:

“Most (but not all) of the young people interviewed could call on strong social networks to provide support in achieving their aspirations, but not always the necessary bridges to opportunities. In general, their social networks of family and friends were strong on ‘bonds’ and weaker on ‘bridges’ (especially in Hull) – at least bridges that could bring significant advantages.” (Green and White, 2007: 58)

Finally, Green and White’s study also found that attachment to place gives young people identity, particularly in socio-economic disadvantaged contexts where it “may be among the most valuable things a person possesses and may be worn as a badge of ‘honour’” (p 47). Thus, attachment to place can be a strength. However, it can also be limiting in terms of the education, training and employment opportunities that young people are prepared to consider. It may be said that the insight provided by this study sheds some light into what Andersson (2004) called the ‘black box’ where personal characteristics and the surrounding reciprocally influence each other to determine, together with other factors, a person’s employability.

5.3 Work transitions

The idea of a person’s work life or career as a choice made early in life cannot be said to apply to the majority of adults and it is increasingly accepted that career choices are made by individuals throughout their lives (Fouad and Bynner, 2008). Transitions can be into or from employment, or between employments; furthermore they can be voluntary or involuntary. The way work transitions are experienced depends to a large extent upon a person’s employability, which is affected by both personal factors and circumstances and labour market factors. Fouad and Bynner (2008) suggest that whereas voluntary transitions are made by personal choice, involuntary transitions are the result of some sort of constraint, be it on a personal or environmental level, and thus present challenges to the individual. They argue that contemporary theories of transitions are based on overoptimistic assumptions about transitions, and are based on three debatable assumptions:

“The first assumption is that individuals are making transitions in optimal circumstances; a second is that they are making the transitions voluntarily; and a third is that they have the capabilities and resources to make the transitions. In fact, though, for many individuals transitions are made in a time of turmoil.” (Fouad and Bynner, 2008: 246).

While Fouad and Bynner argue from a hypothetical perspective – their study is not an empirical one – that voluntary transitions are more likely to be successful compared to imposed transitions, Clarke (2007) provides insights from a study exploring the employability attitudes in a group of
mid-career individuals who had taken up voluntary redundancy. This was a qualitative case study that used interviews with 20 men and 11 women working mainly in the in the Australian public sector. Data were collected at two points in time, 12 months apart. Although redundancy for these individuals was voluntary, their decision was also affected by the reduced options and alternatives in their current employment, thus suggesting that even in voluntary redundancies the situation may be nuanced by individuals’ actual circumstances. In any case, job loss could be said to be anticipated and therefore did not come as a shock. Clarke concludes that overall, “none [of the participants] had demonstrated a disciplined approach to job search or career planning” (p 202). However, there is evidence of a range of strategies such as looking for alternative jobs within the organisations, assessing employability by looking for advertised jobs or through their networks, or registering with a recruitment agency. The study reports that “for many in the study, redundancy had been accompanied by a generous separation payment which moderated the urgency of finding another job” (Clarke, 2007:208-207). This may help explain the observed relaxed approach to job searching. By the second phase of the study, all but four participants had found employment. Those who were in employment mentioned that being able to demonstrate a positive attitude, together with their skills and experience, had made them employable. Individuals who had not found a job, on the other hand, shared a lack of flexibility in terms of working hours and type of employment. This was related to these participants’ reported financial security, provided not only by their severance payment but also by their personal circumstances. The study concludes by questioning the participants’ attitude in relation to taking responsibility for their own career since “the majority had sought, and found, employment in similar work, in a similar industry, with similar terms and conditions” (Clarke, 2007: 208).

Studies considering transitions have adopted other approaches and this topic is particularly relevant for young people entering the labour market (see Chapter 8). In a study exploring the young women’s transition into employment in France, Stevanovic (2009) found evidence to suggest that differences between men and women’s employment conditions are related to differences in their career orientation in terms of chosen subject areas. This study made use of data from the ‘First employment’ and ‘Employment’ surveys by the Qualifications Study and Research Centre (Centre d'études et de recherches sur les qualifications: CEREQ) in France. The results indicate that women’s choices of subject areas are geared toward ‘traditional feminine choices’ (human and social sciences, literary studies and tertiary studies such as education, health and social care) while men’s choices are geared toward the technical and scientific areas and it is argued that this is at the root of differences in their employment and pay situations. Another difference, however, is that women tend to have a higher level of schooling than men and this serves to balance the two sexes in terms of employment status. Stevanovic concludes that “the socio-sexual division of labour and knowledge has not been removed, but only modernised” (2009: 140). The study is limited since it did not consider the young person’s social origin, thus leaving out a variable that is relevant to career development.

5.4 Overview

Although work culture is a general concept, its importance lies in that it indicates that the work environment is affected by the individual and his/her circumstances at the same time that the individual is affected by it. The place where a person lives and the resources that are linked to this space and community also affect a person’s employability, and it may be said that this is done by means of a work culture or commitment to work. For example, a person’s social networks transmit not only values about work but also influence the career options to be considered, and their relative importance vis-à-vis non-work factors. For some, work culture provides access to opportunities and encouragement to develop a career. For others, such as young people from more disadvantaged backgrounds, their work culture may not be as supportive and may even limit the options available. In this case, young people may benefit from initiatives aimed at widening their horizons in terms of education, training and employment. However, such initiatives need to be sensitive to wider individual circumstances and non-work constraints.
6. **LABOUR MARKET FACTORS**

Discussion in previous chapters has highlighted the contingent nature of employability. This chapter begins by focusing on labour demand. First macroeconomic factors, such as the extent and nature of labour demand in the wider economy, business confidence, etc., are considered; and secondly, the role of microeconomic factors, such as the nature and number of vacancies in the local economy is highlighted (section 6.1). Then the role of labour market rules and regulation in limiting access to employment (by age, nationality, etc.) and shaping access to certain types of jobs (e.g. certain qualifications/experience criteria) which may limit opportunities for / disadvantage certain sub-groups is discussed (section 6.2). Next employers’ practices are considered, with specific reference to formal and informal recruitment practices, selection practices (relating to gaining employment and advancing in employment), and issues of discrimination (by age, ethnicity/religion/name, location, gender). The possible consequences of these external factors for employability are considered (section 6.3). The final section provides an overview (section 6.4).

6.1 **Labour demand**

As set out in Chapter 3, broad frameworks of employability extend beyond individual characteristics and circumstances to take account of labour demand. Likewise, the concept of ‘relative employability’ recognises that the employability of individuals can vary in accordance with the state and nature of labour demand.

The level of demand in the macro economy has clear implications for the ability of individuals to find employment. The level of business confidence and degree of (un)certainty about the future influences whether employers seek to recruit in the external labour market; the lower is confidence and the greater the degree of uncertainty they feel, the less likely they are to advertise vacancies. Importantly, those groups of individuals who are most vulnerable in the labour market tend to suffer disproportionately in a so called ‘slack labour market’ where demand is low. In circumstances where employment opportunities matching their skills levels are limited, individuals with high level skills can lower their reservation wage and ‘bump down’ in the labour market to take lower paid and less skilled jobs at labour market ‘entry’ level (Gordon, 1999; Reder, 1964). Those with poor skills or who are otherwise disadvantaged in the labour market, including young people who lack work experience, thus face greater competition for what is likely to be a smaller pool of jobs. In order to overcome ‘crowding’ in this entry level segment of the labour market, sustained labour demand is needed, alongside skills development amongst both those in employment and those excluded from employment in order that those in employment can progress into higher skilled jobs and others can fill entry level jobs. Conversely, in a ‘tight labour market’ where demand is high those individuals with higher level skills are more likely to be able to find opportunities where their skills can be utilised. Employers have less choice about who they can employ, and so those individuals who face labour market disadvantage are more likely to be able to find work.

As indicated above, economic crisis impacts differentially on different sub-groups. There are increasing concerns about the impact of the economic crisis on women across Europe. Although the first impacts of the economic crisis were felt most in sectors such as construction and manufacturing, where men outnumber women, reductions in public expenditure, and cutbacks in employment in public services (including health and education), fall disproportionately on women

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27 The traditional simple neoclassical job search model posits an individual (conventionally unemployed) who looks for and receives sequential job offers and decides whether or not to accept each one on the basis of his/her reservation wage (McCall, 1970). This simple model has been criticised on several counts, including: (1) that in a slack labour market job seekers are unlikely to be in a position to evaluate several different job offers; and (2) that for many individuals job search may not be a purposeful formal process of collecting information about job opportunities, but rather a more unplanned and serendipitous process, often involving informal contacts (Granovetter, 1974; Hanson and Pratt, 1991).
Moreover, given that they tend to take on the majority of caring responsibilities within households, women are also especially vulnerable to cuts in public expenditure on support services (both via public services and non-governmental organisations which are often heavily dependent on public funding) that might enable them to seek employment in the formal labour market. This might lead to them becoming unemployed or economically inactive. Given that relatively high proportions of people with disabilities and some groups of migrant workers are also relatively concentrated in public sector employment, they are likely to be disproportionately affected by public expenditure cuts also.

At the time of writing particular focus is being placed on the impact of the economic crisis on young people, with significant increases across the EU in youth unemployment; across the EU-27 the youth unemployment rate rose from 15% in the first quarter of 2008 to over 22% in the first quarter of 2012, albeit there are pronounced variations between countries (see Figure 6.1). The highest proportion of unemployed young people was in Spain at nearly 50%, followed by Slovakia, Croatia and Portugal (all around 35-37%). In most countries, the unemployment rate of young men is higher than that of young women (the largest difference is in Ireland, at 12 percentage points), but in some countries (e.g. Poland), the proportion of unemployed young women is higher than that of men.

Figure 6.1: Unemployment rate for young people in Europe
In an economic crisis individuals in work tend to become risk averse and so cling on to their jobs, and as employers curtail recruitment the number of vacancies available decreases. Young people can then be caught in a so-called ‘catch 22’ situation of lacking work experience that would enable them to find a job and being unable to get a job that would provide them with work experience. Moreover, long-term unemployment amongst young people can have a lasting impact on young people through their working lives through reduced earnings and career progression and poorer health (Gregg and Tominey, 2004; Hammarström and Janlert, 2002).

In the current economic crisis older workers have tended to been relatively less vulnerable to job losses than in previous recessions (see Jenkins and Leaker, 2010, regarding the UK). Figure 6.2 shows that the employment rate for older people increased over the period from 2001 to 2010, while that for young people decreased. However, once out of the labour market they may face particular difficulty in re-entry (as outlined in Chapter 9).

**Figure 6.2: Employment rates by broad age group in the EU27, 2001-2010**

Since most individuals, and especially those who are disadvantaged, seek work in local, rather than national or international labour markets, the state and nature of labour demand at the local level assumes particular importance. There are marked local and regional variations in unemployment and employment rates across the EU. Evidence suggests that there are more pronounced geographical variations in employment rates for less skilled than for more skilled individuals, indicating that ‘where you live’ matters most for those with poor skills (Green and Owen, 2006). Due to differences in material resources, travel-to-work distances are shorter for individuals working in less skilled and in part-time jobs; it is not worth (or often feasible) to travel far for a low paid job (Green, 2009). Moreover, location of residence also influences the number and variety of employment opportunities within reach. Hence, individuals in remote rural and peripheral areas have a smaller pool of employment opportunities (both quantitatively and qualitatively) within reasonable travelling distance for which they can compete compared with similar individuals in large urban areas. However, individuals resident in large urban areas are likely to face greater competition for available vacancies than those in more peripheral and sparsely populated areas.
The influence that the changing geography of employment has on the access to jobs by those who are disadvantaged in the labour market is a primary concern of the spatial mismatch debate (Kain, 1968). Broadly speaking, there are two positions. First, proponents of a ‘segmented model’ of the labour market (see Morrison, 2005), who believe that ‘the local labour market’ consists of a number of spatially-defined sub-markets and who attribute concentrations of worklessness at a local scale primarily to deficiencies in highly localised demands for labour, conclude that worklessness rates will remain high in the absence of a supply of appropriate jobs within short commuting distances of the jobless. Hence, they favour a policy approach of ‘taking work to the workers’. Secondly and conversely, proponents of a ‘seamless model’ of the labour market, who contend that city-regions are single markets in which transactions between labour and capital take place regardless of the location of residence and employment sites, argue that ‘taking work to the workers’ will only have a short-term effect at best, because spatial labour markets are permeable and local residents will be subject to city-region wide competition for jobs. On the basis that job growth does not necessarily ‘trickle down’ to local residents, they see the policy solution in terms of raising aggregate demand for labour and upgrading the skills of the workless in order that they are better able to compete for the jobs available. What is pertinent to note here is that proponents of both the ‘segmented’ and ‘seamless’ model of the labour market argue that labour demand matters.

6.2 Labour market rules and regulations

Over time EU and national labour markets have been increasingly regulated to improve the position of vulnerable groups, in terms of their labour market participation rates and their tendency to cluster in lower echelons of the labour market. Thus, equalities legislation28 – applying in relation to gender, ethnic or racial origins and nationality, disability, sexuality, religion, transgender and age – plays an important role in shaping the experience of different population sub-groups in the labour market and counteracting discrimination. Equalities and anti-discrimination legislation (covering both direct and indirect discrimination) have at their heart the principle that a worker should receive ‘no less favourable treatment’ because of their characteristics on any of the dimensions noted above. In principle, these legislative changes should help improve the position of so-called ‘equalities groups’ in the labour market. Over time, there has been a shift from laws that prohibit discrimination to laws that provide for a positive duty to prevent discrimination and promote equality (ILO, 2003). Public policy, beyond legislation, also has an important role to play in combating discrimination and promoting equality.

The greatest body of research and evidence on the effectiveness of legislation and policy initiatives to enhance equality relates to gender. Here research on gender equality policy concerning employment and the labour market has found a strong link between women’s participation in the labour market and provision of care (Webster, 2007). However, the author also highlighted that it is the combination of policies together in packages, in accordance with local circumstances, that are likely to be most effective, so underlining the importance of policy co-ordination at national and local levels and highlighting the important role of labour market intermediaries. Other key findings from the review of wider relevance to enhancing the effectiveness of equality policies more generally include the need to improve accreditation of skills and knowledge obtained other than through conventional means, and the need to improve policy intersectionality (i.e. the need to acknowledge all forms of inequality in the framing of equality policies). The review also highlighted the importance of organisational practices relating to recruitment, training and development are important in ensuring that those in suffering inequality have access to ‘good jobs’.

In a similar vein, Olgiati and Shapiro (2002), in study of the promotion of gender equality in the workplace involving 21 case studies across several countries, reiterated the important role of corporate strategies in the achievement of equality in the workplace. The concluded that while equality legislation and national equality programmes play a powerful role in initiating and

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28 For example, 2000/43/EC (race) and 2000/78/EC for religion, age, disability, political belief, sexual orientation.
facilitating equality action in the workplace, organisations also need to be supported in implementing policies. On the basis of their review of case studies, they proposed that the content of equality action could be considered as either: (1) focused (i.e. a one shot process to address a specific issue); (2) scattered (i.e. a building block process designed to address a number of issues); or (3) transversal (i.e. a continuous and universal approach). The suggested that there is a relationship between the content of equality plans, the implementation process adopted and the results achieved. Hence, a focused approach could achieve only limited outcomes, a scattered approach would achieve so called ‘leopard spots’ of good practice, and a transversal process might achieve results across the board. They concluded that to be effective in an organisational context, equality policy needed to include the following elements:

Monitoring – to ensure organisational learning;
Embedding equality within human resources management across the organisation – to ensure that all parts of the organisation are covered;
Addressing organisational culture and behaviour;

Involving all actors in the organisation – through social partnership; and

• Embedding equality in other organisational change strategies.

A multi-faceted and holistic approach to promote equality and to combat discrimination is argued for by Equinet (2008). The suggestion proposed is that a wider framework for action on equality should include:

Legislation – to prohibit and prevent discrimination and promote full equality;
Institutions – to ensure effective implementation of legislation alongside institutional development in all sectors to achieve compliance with legislation;
Mainstreaming – to ensure that diversity and equality considerations are taken into account at the design stage of all plans, policies and programmes;
Targeting – to secure positive action necessary to address legacies of past discrimination and to meet needs specific to groups experiencing inequality;
Participation – to develop processes that enable groups that experience discrimination to have a say in decisions that impact on them;
Agenda setting – to establish action plans to achieve full equality in practice for groups experiencing inequality; and

• Monitoring, to develop data collection such that decision making in relation to groups experiencing inequality is evidence based.

For migrants the picture for labour market participation is increasingly differentiated by migration policy and regulations relating to access to social security benefits. In general, while EU nationals have ‘free movement’ and access to benefits, some of those from third countries face increasing restrictions on entry and access to the labour market (as outlined in Chapter 9), with those with skills in short supply tending to be welcomed, while unskilled workers from third countries are not. So, there is a growing divide between third country migrants with legal status who are to get more rights and irregular and low-skilled migrants. Hence increasingly the employability of migrants is a function of their nationality and skill level.

More specifically, some candidates will be barred from certain jobs on the basis of physical criteria (e.g. physical fitness, colour blindness, etc.) on the basis of particular job requirements. Likewise some jobs (e.g. some professional roles) demand particular qualifications and certified periods of experience in order that the individual is deemed competent to perform the role in question. The details of qualification systems and certification practices vary between countries. A key issue for employability is whether such ‘rules’ are strictly necessary for the role in question.

This issue is discussed further in section 6.3.
6.3 Employers’ practices

Peck (1996) emphasises that labour markets are socially embedded and constituted institutional spaces in which formal and informal customs, norms and practices underpinning employment, working practices, labour relations and wages are played out. They are the result of the interaction between employers’ practices, institutions, state policy and regional and local labour market histories. Hence, nationally- and locally-specific developments matter in understanding how labour markets evolve over time and how economic actors, agencies and individuals behave.

Employers’ recruitment and selection practices are fundamental in understanding access to jobs – yet are often downplayed in labour market studies, as indicated by Keep and James’ (2010) description of them as ‘the great neglected topic’. Recruitment and selection are often presented as planned and rational activities, but this might not be the case in all circumstances. Recruitment and selection are distinctive, yet interlinked activities. As noted by Bratton and Gold (2007), recruitment is the process of generating a pool of capable people to apply for particular jobs at an organisation, while selection is the process by which managers and others use specific instruments to choose from a pool of applicants an individual most likely to succeed in the job, given organisational/management goals and legal requirements. How employers advertise employment opportunities, and how they select from amongst job applicants those to invite for interview and/or assessment, and the nature of the selection procedures that they use, shapes access to jobs. If there is a mismatch between where and how job seekers look for work and where and how employers advertise vacancies, then job seekers will be disadvantaged.

Despite regulations seeking to promote equality in the labour market, discrimination of various kinds can exacerbate inequality of access to good quality jobs with opportunities for progression. Discrimination is a complex and moving target because it is bound up with perceptions, rather than objective facts, about the abilities and attitudes ascribed to certain groups, and its entrenched nature often makes it invisible (ILO, 2003). The potential for discrimination is greater in slack than in tight labour markets. Traditionally employers advertised vacancies on workplace notice boards and in shop windows, via networks of family and friends of existing workers, in the local press and via the public employment service. Then some employers increasingly used agencies to handle aspects, or all, of the recruitment process for certain types of workers. But importantly, norms and conventions in advertising vacancies varied between types of employers and for different types of jobs, and across different areas.

Over the last decade or so, the internet has had a big impact on recruitment, selection and job search (Green et al., 2011; see also de Hoyos, 2012), yet the impact of the Web remains a key research gap. The rise of vacancies posting on the internet, including the EURES job mobility portal bringing together vacancies across public employment services in different countries, and of submission of job applications electronically, means that job seekers can search for vacancies more quickly and over a wider geographical area than was formerly the case. With the rise of the internet, the volume of job adverts in the printed media has declined. Significantly, however, the internet may be used in tandem with other methods for recruitment – for example, a newspaper advert or an advert in a shop window may direct a job seeker to a website for details of how to apply for a vacancy.

While ICT has become increasingly important for individuals in accessing jobs, some traditional recruitment methods remain important. In a slack labour market, some employers may be increasingly likely to use informal methods of recruitment, rather than to bear the costs of formal recruitment methods (Atfield et al., 2011). Personal recommendation or a slightly more formal

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29 Ployhart (2006: 875) argues that key questions that have been insufficiently researched include: Does web recruitment increase fit, reduce turnover, or improve job satisfaction amongst applicants? Does this medium present any substantive differences from other recruitment mediums? Is the Internet a more efficient or effective recruitment medium? etc.

30 This topic is the subject of further discussion in Report 2 (de Hoyos et al., 2012).
‘refer a friend’ scheme for particular occupations might be seen as ‘de-risking’ recruitment on the grounds that the person referred is likely to feel beholden to the employee for his/her job and not want to let down that employee, while the employee is unlikely to refer an individual who will not ‘fit’ the role (see also Fernandez et al. [2000] for a discussion of how employers might view employees’ social connections as resources in which they might invest to yield economic returns through better hiring outcomes). This underlines the importance of social networks in access to employment (as highlighted by: De Graaf and Flap (1988); Granovetter (1973, 1974); Hanson and Pratt (1991, 1992); Holzer, (1987); Lin and Dumin (1986)), as job seekers without links to family, friends and acquaintances employment may be excluded from informal information about job openings via existing employees. Such informal methods may also entrench existing patterns of labour market segmentation through homophily (see Stainback [2008] for a study of the role of same race social contacts in race/ethnic job matching, which endorses this point). Social networks may also be of particular importance for some sub-groups in the labour market; for instance, Gayen et al. (2010), drawing on a case study from Scotland, suggest that for older people (defined here as aged over 50 years) relative to younger people, having social contacts with people in employment is important for remaining in employment.

So while the internet is a powerful tool for job seekers, there is also a danger that the relative ease of electronic application may lead to job seekers either adopting an inefficient scattergun approach of relatively large numbers of untargeted applications, as opposed to a more efficient targeted approach, or become too reliant on the internet and neglect other job search methods. This might include “hiding behind the internet” rather than adopting a more proactive strategy involving making direct contact with employers, as highlighted by Tunstall et al. (2012) in a study of young job seekers.

Turning from recruitment to selection practices, there is no single way in which candidates are selected for interview/assessment and any subsequent elements of the selection process. Moreover, there are variations in selection practices and traditions between countries (French, 2010). In a global context it is worthy of note that in individualistic cultures, such as the USA and UK, emphasis tends to be placed on selection methods which emphasise individual differences, whereas in more collectivist societies, personal connections may assume a more prominent role (Perkins and Shortland, 2006). Differences are evident also between occupations types and between organisational types, so highlighting the need for good national and local intelligence for job seekers on how different labour markets operate.

In a review of the literature on staffing best practices since 2000, Ployhart (2006) argues that perceived person-environment fit is the central concept in selection. Employers may use a number of different methods to select candidates, including psychometric tests of cognitive ability and personality (these are structured and systematic ways of evaluating aptitude, intelligence, values and interests, etc.); situational judgement (which present candidates with work-related situations and are asked how they would react); assessment centres (where candidates are faced with a variety of exercises – including presentations and role play – to measure multiple competencies); work samples (where candidates are asked to undertake a set of exercises nearly identical to those performed on the job) and interviews. Based on the findings of various research studies, Pilbeam and Corbridge (2006) suggest that in decreasing order of predictive validity (i.e. the score obtained on a selection measure and the subsequent outcome), selection methods may be ranked thus: assessment centres for development, skilful and structured interviews, work sampling, ability tests, assessment centres of job performance, personality assessment, unstructured interviews, references, graphology and astrology. Ployhart (2006) suggests that organisations wishing to best

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31 For example, in a study of assumptions underlying candidate selection, based on advertised job vacancies in France, Marchal and Rieucau (2006) indicate that since 1980 there has been a shift towards more detailed descriptions of required criteria, and especially personal qualities. They contrast this with British job advertisements, which they suggest provide less detail on required attributes – thus enabling candidates with less conventional attributes to stand more chance of gaining a job.
balance prediction of how well a candidate would perform in a job and diversity (i.e. sub-group differences that emerge using different selection methods) should use selection centres such as assessment centres, work samples or situational judgement tests. Given the developments in job roles and careers outlined in chapter 4, it is salient to note a trend towards using ‘potential competencies’ as a selection criterion (i.e. rather than searching for the most appropriate person to do a particular job, employers may seek workers who are flexible and have multiple competencies, and can contribute to a variety of job roles) (Rees and French, 2010).

It is important to keep in mind that organisations will adopt varying degrees of rigour in making selection decisions. There are concerns that asymmetric and/or poor quality information may sometimes lead market actors to make ‘adverse selections’ (Akerlof, 1970; Izquierdo and Izquierdo, 2007). Particularly in a slack labour market where employers may receive many applications for vacancies, employers may use information shortcuts, based on stereotypes and their knowledge of the reputation of particular groups of individuals and/or candidates from particular areas as possessing undesirable characteristics to screen out their applications (Nunn et al., 2010). This suggests that vulnerable groups are particularly at risk from adverse selection procedures at times of high unemployment.

In general, centralised human resources processes in large organisations are more likely to follow systematic procedures and to use objective criteria, than is the case in smaller organisations where owners/ managers may take the lead in organising selection. Use of centralised processes and objective criteria may remove some potential for discrimination on other criteria, but might also mean that candidates lacking one or more of the set ‘essential’ or ‘desirable’ criteria (which may not be strictly necessary for the performance of the role in question) do not have the chance to convince decision makers that they may, on balance, be suitable. Indeed, in empirical evidence from a study of a back-to-work programme in France, Salognon (2007) suggests that employability of the long-term unemployed depends upon the context, selection methods and recruitment tools used (and, as highlighted in Chapter 6, it may be necessary to challenge employers’ use social stereotypes and selectivity based on personal attributes unrelated to the job in question in order to help long-term unemployed people into work (Salognon, 2007).

It is difficult to be definitive about the extent and nature of discrimination in the labour market against particular sub-groups. Methodologies for measuring discrimination have involved surveying employers about their willingness to employ candidates from particular sub-groups, even if they had the right qualifications and ‘tests’ involving assessment of the success of applications on the basis of name, nationality, etc., from otherwise similar applicants for the same job. These studies variously show that illegal discrimination exists (for example, see Allasino et al. [2004] in the case of migrant workers in Italy and Chapter 9 for further discussion on this topic) but that some sub-groups are more discriminated against than others (for example, North Africans fare less well than Eastern Europeans in the Allasino et al. [2004] study), and that the extent of such discrimination may vary over time (e.g. vis-à-vis temporal variations in public opinion and political sensitivities concerning particular issues). Whether or not there is evidence for illegal discrimination, perceptions that such discrimination exists may impact on the confidence, motivation and self-esteem of individuals applying for jobs.

6.4 Overview

It is clear that labour demand is an important factor in determining entry to, sustainability and progression in employment. However, while international and national macroeconomic conditions set the broad context, generally it is at the local level that individuals seek employment opportunities and at which many employers seek workers. So, local labour market conditions matter also, and especially so for those with poor skills and/or those who are otherwise disadvantaged in the labour market. Job seekers and employers come together to make the labour market, and

32 For example, see http://www.ilo.org/public/english/protection/migrant/equality/discrimination/evidence.htm for studies conducted by the ILO in relation to discrimination against migrant workers.
labour market intermediaries have a key role to play in influencing and minimising mismatches in behaviour on the part of both job seekers and employers.

Formal rules and regulations also shape access to employment and particular types of employment; they may serve to advance the employability of most sub-groups, but hinder the prospects of others (e.g. unskilled migrant workers from outside the EU). Because labour markets are socially and culturally embedded, as well as economic institutions, informal norms and customs shape labour market practice. Since employers are gatekeepers to the labour market, their recruitment and selection procedures and subsequent internal progression policies are important in determining employability. Here there have been important developments over time, not least the increasing use of the internet in recruitment and selection.

Together the issues raised in this chapter highlight the contingent and dynamic nature of employability.
7. ENABLING FACTORS

This chapter is concerned with selected factors and policies which may act to ‘enable’ employability, by making links between individuals, their circumstances and wider external factors in order to tackle barriers to employability. The chapter begins by focusing on labour market policy. Section 7.1 highlights the role of labour market policy in addressing employability, with a particular focus on active labour market policy for those currently outside employment (and the distinction between ‘work first’ or ‘human capital development’), and the role of training, work experience, work incentives, etc., in bringing unemployed and economically inactive individuals into the labour market. In section 7.2, education and training policy is considered briefly. Issues of human resource management are touched on also. Section 7.3 considers the role of labour market intermediaries and information, advice and guidance (IAG) support in enhancing employability, with specific reference to the roles of employment agencies, careers services, guidance practitioners, and other advice services (embracing employment, financial, legal issues, etc).33 Section 7.4 provides an overview.

7.1 Labour market policy

It is possible to make a broad two-fold distinction in labour market policy between supply-side policies and those that seek to stimulate labour demand.34 The main focus here is on the former, where a further distinction can be made between ‘passive’ and ‘active’ labour market policies. Passive policy measures include early retirement schemes, unemployment compensation and public assistance (i.e. income replacement) to mitigate social costs of job loss. Active labour market policies (ALMPs) are aimed at helping unemployed (and increasingly economically inactive) people of working age back into the labour market. They have been defined as: “First, [making] receipt of benefits conditional on the benefit recipient demonstrating active job search and/or a willingness to take steps to improve employability. [And secondly providing] a range of pre-employment services and advice to help the individuals in question find work or get ready for work” (OECD, 2002: 9). They focus on various barriers to employment, such as lack of motivation (via benefit sanctions), shortcomings in job search skills (via job search assistance), lack of experience (via work placements and wage subsidies) and lack of skills required by employers (via training programmes) (Thomsen, 2009). (See section 8.5 for a more focused discussion on ALMPs for young people.)

The relative strength of and balance between passive and active measures, and the success of labour market policy in terms of equity (i.e. the level of social inequality) and efficiency (in terms of getting individuals back into work), varies between countries. These different traditions are encapsulated in a four-fold distinction (Sapir, 2005) between: (1) the Nordic model – with high equity and high efficiency, characterised by high levels of welfare expenditure and state intervention; (2) the Anglo-Saxon model – with low equity and high efficiency, with relatively low levels of social protection and relatively high returns to work (albeit sometimes work of low quality); (3) the Continental model – with high equity and low efficiency; (4) the Mediterranean model – with low equity and low efficiency. Given this heterogeneity, it can be challenging to assess labour market policy in terms of ‘what works’ in different contexts.

More generally, the evidence suggests that governance matters. The importance of regional governance structures in successful implementation of strategies to improve the employability of unemployed people was highlighted by Lindsay and Mailand (2009) in case study research in Denmark (an exponent of the Nordic model), which is often cited as a leading exponent of relatively

33 Note that not all possible enabling factors are considered in detail here; (see section 11.4 for identification of a broader range of factors identified in the revised employability framework presented there).

34 It is pertinent to note here that policies for employability can provide a link between supply and demand sides of the labour market.
successful active labour market policy. They argued that the inclusion of employers, trade unions and other stakeholders in the planning of provision for job seekers, while allowing for the tailoring of employability services to reflect the dynamics of local labour markets, was an important foundation for success. The Danish example also highlights the importance of partnership working (see also section 7.3 focusing on labour market intermediaries), which is often at the heart of local initiatives to promote employability amongst some of the groups who are most vulnerable in the labour market. Lindsay et al. (2008) argue that successful partnership-based approaches to tackling employability need a clear strategic focus based on a necessity for inter-agency co-operation and institutional arrangements that allow for shared ownership, trust and flexibility in resource sharing.

Turning to the content and nature of ALMPs per se, there is an on-going debate about the relative merits of ‘work first’ programmes focusing on compulsory job search and short-term interventions to facilitate a quick return to work (often regardless of the quality of the job), vis-à-vis ‘human capital development’ approaches that are more concerned with promotion of longer-term skills development (through training). To enhance their success, both types of programmes, but especially the latter, need to be implemented along with so-called wraparound ‘coping and enabling services’ (see Lindsay et al., 2007) which are designed to overcome some of the non-work related contextual barriers to employment highlighted in Chapter 5. Hence wraparound services may include health initiatives such as cognitive behavioural therapy to support individuals moving from inactive benefits related to ill-health into work, access to care services (for example childcare support without which some individuals would be unable to take up employment) and financial inclusion services (such as provision of access to a cheap bank account). The importance of wraparound services is exemplified by an analysis of survey and linked administrative data from Germany which showed that the ‘employability gap’ between short-term and long-term unemployed persons in Germany was attributable more to variations posed by health and in caring obligations than differences in formal skills (Thomsen, 2009).

‘Work first’ programmes are cost-effective in the short-term (OECD, 2005; Armingeon, 2007), but ‘human capital development’ programmes may be expected to yield more sustainable employment in the longer-term. However, their effects are difficult to measure, and such programmes are prone to creaming and displacement effects [Daguerre with Etherington, 2009] – i.e. they may work with those who are closest to employment who might have found employment without assistance, and they may be successful at the expense of other individuals already in the labour market. Hence, the policy challenge is to combine the best elements of both ‘work first’ and ‘human capital development’ approaches.

A review of evidence on ‘what works best’ in ALMPs across OECD countries (Daguerre with Etherington, 2009), highlighted four key findings. First, personalised support, often involving a personal action plan developed with a personal adviser, and with agreed objectives for the Employment Service and the client, is needed. Here it is important for the action plan to reflect the needs and aspirations of the individual and the demands of, and opportunities in, the local labour market. Secondly, adequate staff/client ratios are crucial for effective programme performance; personalised services imply a need for appropriately trained and motivated personal advisers to work with clients. Thirdly, specific effort/greater resource is needed to support clients facing complex needs (especially those with low skills, language issues [as in the case of some migrants – see chapter 9] and poor self-esteem). Fourthly, subsidised work placements (especially for people with disabilities and for young people) combined with on the job training and other appropriate measures achieve sustainable employment outcomes.

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35 The heterogeneity of labour market policy provision, its complementary nature and changing form, together with the differing circumstances, attitudes and motivations of clients, and shortcomings in the evidence base, means that it is very difficult to assess what works (Hasluck and Green, 2007).
The four points above, together with the Danish example, emphasise a role for demand-led, client-centred, targeted and joined-up approaches, including employers, at local level (see Shaw, 2007) in order to move unemployed and economically inactive people into employment. Since employers control access to jobs, it makes sense for employability initiatives, and labour market programmes more generally, to engage with them (Hasluck and Green, 2007). With regard to training and skills development, while some studies have emphasised the importance of training within a ‘real world’ environment (Lindsay, 2002), and greater emphasis on linking supply and demand implies greater involvement of employers in the design of skills training and work experience programmes, there are concerns that such involvement might be geared overly in favour of meeting employers’ short-term needs vis-à-vis improving employability of the individuals concerned. A more radical approach to engaging employers is an innovative ‘insertion’ method (IOD: Intervention on Demand) which has been developed in France by Transfer (a not for profit association). This seeks to change employers’ recruitment and selection practices, and reduce discrimination in hiring, through negotiation of placements of long-term unemployed individuals directly with employers. Evaluation indicates the IOD method gives good outcomes (with a back to work rate of 67% in 2005) and is not prohibitively costly (Salognon, 2007).

At the time of writing, the EU faces economic challenges of negative or slow growth. In order to promote a resumption of growth and employment it is recognised that a consistent and broad-based approach is needed, combining fiscal consolidation, sound macroeconomic policies and an active employment strategy preserving social cohesion. In order to maintain employment and to mitigate negative social impacts of job loss, EU countries have engaged in a range of measure including income support for those suffering job loss via unemployment assistance and social support (i.e. classic passive labour market policies), short-time working arrangements (designed to keep individuals in work), direct and indirect stimulation of labour demand (though wage subsidies, recruitment subsidies, infrastructure investment, etc.), job creation support via business start-up incentives leading to self-employment), investment in skills through training and work experience programme (e.g. apprenticeships and internships), and re-employment measures focused on job search assistance and activation (with a strengthening of public employment services and greater emphasis on job seekers’ responsibilities). Although ALMPs retain a central place in the policy agenda, there are concerns about their effectiveness in the context of a prolonged period of limited labour demand.

7.2 Human resource management, education and training

7.2.1 Changing labour market and skills requirements

Under the banner of ‘New Skills for New Jobs’ the European Commission (2008) has emphasised the importance of skills upgrading for all, as a necessity rather than a luxury, in the context of technological changes, globalisation, the shift to a low-carbon economy and ageing populations. This means an emphasis on lifelong learning, and on anticipating future skills needs so as to enable people to identify and develop the right skills (using information, advice and guidance services, as discussed in section 7.3).

Employment projections to 2020 indicate that knowledge- and skill-intensive occupations, associated with higher level qualifications, are set to become more important, again pointing to the importance on investment in education and training (CEDEFOP, 2010). The projections also make clear that there are substantial so called ‘replacement demand’ opportunities, as older workers retire and need to be replaced.

Labour market projections tend to focus on qualifications and occupations, as opposed to skills. Here it is important to acknowledge that although qualifications are easier to measure than skills, qualifications and skills are not the same. It also raises the important issues of the extent to which

36 On the basis of a review of evidence from projects under the New Deal Innovation Fund in the UK, Gore (2005) contended that the balance was in favour of the employer.
skills are certified. Over time there has been a trend towards greater certification of skills, such that younger people are more likely to have their skills certified than older people. Especially for older people, but for people of any age, validation of existing skills gained in the workplace\textsuperscript{37} (or elsewhere) may be important in enhancing employability, especially in signalling to potential new employers the possession of certain skills.

7.2.2 Skills utilisation

Yet, just focusing on supply of skills is not enough, encouraging employers to make better use of the skills of the staff that they have at their disposal is important also – hence the increasing policy focus on skills utilisation. To some extent some of the recent academic and policy debates on skills utilisation reflect concerns about the underutilisation of skills in the workplace. In the UK, for example, there has been a rapid growth in the share of graduates in the workforce from less than 10% in 1988 to nearly a quarter in 2008, yet evidence suggests that an increasing share of graduates is employed in low level jobs (Nunn et al., 2007). Evidence from successive Skills Surveys, covering the all parts of the workforce, indicates that the proportion of workers who felt that they had qualifications at levels above those needed to do their current job has increased over time 2007). Data from the 2004 Workplace Employment Relations Survey also showed that a substantial minority of workers felt that their skills were not fully utilised in their current job (Sutherland, 2009). While data from the 2010 European Survey of Working Conditions shows that the incidence of under-use of skills varies between countries - with less than 25% of workers in Austria, the Czech Republic and Finland reporting under-use in 2010 compared with at least 40% in the UK, Slovenia and Greece, it appears that skills under-utilisation is an issue in all countries (OECD, 2012).

There is increasing attention being paid in policy terms to raising the demand for skills,\textsuperscript{38} rather than focusing solely, or predominantly on skills supply (see Froy et al., 2009; OECD, 2012). This reflects the fact that skills are a derived demand, driven by business needs, and dependent upon firms’ product market strategies and approaches to job design. Debates on raising the demand for skills highlight the important role of employers in enhancing skills utilisation and employability.

7.2.3 Human resource development

Mention of skills utilisation, shifts the focus of attention to human resource management and learning, training and skills development in employment. This means that organisations need to provide a developmental framework that can help both the employer and the individual to develop skills that are needed, and provide opportunities for those in employment to utilise their skills. Components of such a framework include performance review, involving feedback on performance as part of the human resource development process. This helps develop an individual’s awareness of employer expectations, and to assess their own performance and identify areas for improvement (Kavanagh, 1997).

Iles (1997) suggests that organisations can provide ‘sustainable career development processes’ that can assist employees in acquiring tools to manage their own employability, so that as well as evaluating current skills, work interests and possible future pathways, they can assess their employability in the external as well as the internal labour market. A culture of high performance working promotes regular, systematic and open feedback, in informal, as well as formal settings. So alongside formal strategies such as systematic performance management and training, more informal mentoring, coaching and networking can also play an important role in helping individuals to manage their own careers and take greater initiative over skills development. However, there is limited comprehensive evidence on a comparable basis about the prevalence of high performance

\textsuperscript{37} An example here is the Validation des Acquis de l’Expérience in France where individuals can put forward a portfolio of (vocational) work experience towards a formal qualification.

\textsuperscript{38} This debate is especially advanced in Scotland, where policy emphasises the demand for skills (The Scottish Government, 2007; Payne, 2009).
working. What is needed is evidence from employers on recruitment, skills and training strategies. Administrative data on compliance with certain standards or adoption of voluntary quality standards.\textsuperscript{39}

7.2.4 Developing employability amongst young people

Turning to young people not yet in the labour market, while there are differences in educational systems across the EU, and in the relative balance placed on academic vis-à-vis vocational qualifications, there is a general trend towards more onus being placed on higher level skills, and also on enhancing employability. Various mechanisms are used for the latter, including work experience placements while in education (at both compulsory and post-compulsory levels),\textsuperscript{40} opportunities for work-focused interviews (see the example of developments in Wales in Box 7.1), careers education and supporting cross-curricula activities, and greater emphasis on group / project working – so as to build team-working and problem-solving skills that are valued in the workplace.

There is some research from the UK and US on integrating career management and employability skills development programmes into careers education in schools (Davey and Tucker, 2010; Turner, 2002; Zinser, 2003). The results of one survey investigating the role of Personal Advisers within schools highlighted the successes of this approach (Blythe et al., 2008). Results showed that this form of careers education and guidance added value, as they undertook activities enabling young people to connect their studies with labour market information and opportunities available to them. They were also found to enable employability skills, which were designed to ensure young people were able to survive in the labour market. However, a recent review of the evidence and impact of career and guidance related interventions reported that generally young people have difficulties linking their studies to future work and life roles, and lack employability skills (Hughes and Gratian, 2009b). For instance, evidence analysed for the literature review reported that young people lack the knowledge and skills to search for and identify suitable programmes of study or employers. In addition, employers were found to believe that “school, college and higher education systems are not delivering students with the employability and self-management skills, character and attitude they need” (Hughes and Gratian, 2009b, p.13).

Research undertaken by the Education and Employer Skills Taskforce (2010) investigated how employers could support and get involved with careers education to help young people succeed in the labour market. Interviews were conducted with a range of organisations (including schools, Education and Business Partnership Organisations, employers, professional associations and interested parties) and complemented with an online survey of 500 young people, employers and staff from primary and secondary schools. Results showed that careers education in primary schools was about raising awareness of jobs and in secondary schools, this was about building self-awareness and employability skills. Good work experience placements were evidence to have a significant impact on a young person’s employability skills and their awareness of labour market opportunities.

It is clear from the evidence that more research is needed on the role careers education and guidance can play in enabling employability skills for young people in the current education system. This could be supported by research that is currently underway by the BBC Lab UK to improve understanding of young people’s employability skills, their employment prospects and what makes them successful at finding employment. The Get Yourself Hired Test\textsuperscript{41} is an online programme aimed at gathering data from young jobseekers throughout the United Kingdom.

\textsuperscript{39} An example in the UK context is Investors in People, which indicates that organisations are committed to investment in developing their staff.

\textsuperscript{40} An example of a recent development aimed at improving the long-term employability of graduates is the Talent Scotland Graduate Placement Programme (TSGPP), which provides business placements for around 750 graduates and 400 undergraduates in Scotland.

\textsuperscript{41} See \url{https://www.bbc.co.uk/labuk/experiments/employability/} for more information.
7.3 Labour market intermediaries and information, advice and guidance support (IAG) services

In broad terms, labour market intermediaries help to lubricate the operation of the labour market by facilitating linkages between supply and demand. It has been argued that as labour markets have become more volatile, complex and unpredictable, labour market intermediaries play an increasingly important role (Benner, 2003), especially in building networks and reducing transactions costs. They include a range of organisations from the public, private and voluntary sectors, including public employment services (PES), welfare to work providers, private sector employment agencies, training providers, careers support services (which form the primary focus of this section) and community-based non-statutory organisations providing a range of tailored services to assist local clients to improve their employability and provide labour market and related advice (for example on financial, transport and support services issues). Working in partnership, these organisations will tend to focus their efforts on different parts of the ‘employability pathway’ from engagement with out of work individuals (often involving outreach work), through positive engagement and assessment of individuals’ barriers to employability and training and development needs, preparing for and seeking work, and in work support through aftercare programmes and workforce development to facilitate sustainable and progression in employment. At this latter stage employers have a crucial role to play. An example of one such pathway is presented in Figure 7.1.

Figure 7.1: Exemplar employability pipeline

[Diagram showing the employability pathway]


Labour market intermediaries have a crucial role to play in encouraging and supporting individuals disengaged from the labour market, those in transition, and those in employment to engage in

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42 Although there are differences between countries, a general trend is evident towards greater privatisation of services to gain efficiency savings, alongside a shift towards devolution of the design and implementation of policy to local levels in order to obtain a better fit with local labour market conditions and needs.
education and learning activities. There is much research on their role in enabling and supporting individuals to invest in their skills and improve their employability (for example, see Bimrose et al., 2007a; Brown et al., 2010; Clarke, 2007; McArdle et al., 2007; O’Connell et al., 2009; Sultana and Watts, 2006; Verbruggen et al., 2008; Watts and Sultana, 2004). For instance, in Belgium, research was undertaken to investigate the effect of the entitlement to external career guidance initiative introduced in 2005 (Verbruggen et al., 2008). It was highlighted that although investment in employability is a shared responsibility between employers and employees, in practice this was not the case. The initiative was aimed at ensuring career counselling services were available to employees over a six year period and if partly financed by a government subsidy and the employee. The services offered included supporting with making career choices and decisions by focusing on discovery and developing competences in career management. The research showed the important role career counselling can play in enhancing employability. Research with those in mid-career transitions in Australia (Clarke, 2007) also looked at the shift from organisational to individual responsibility for employability. Employability was seen as part of successful career transitions. It was highlighted that individuals taking voluntary redundancy and in a mid-career transition did not take ownership of their employability. They were found to lack job search skills, were unsure how to market their skills and experience and had undertaken no career planning. In this instance, career guidance can, and could, play a role in ensuring the development of career management skills.

As education and labour market policies change and develop in response to developments in the economy and labour market, there are important implications for labour market intermediaries and career guidance professionals and how services will be delivered. The UK provides an interesting case study for such changes, and some of the key developments are outlined in Box 7.1.

**Box 7.1: New IAG strategies, education and employment policies in Great Britain**

Across Great Britain, the role of labour market intermediaries and careers IAG services are transforming so there is more of an emphasis on developing individual employability.

In England, the new ‘Youth Contract’ (tackling youth unemployment), the transformation of vocational training and apprenticeships, together with measures to encourage unemployed workers into work are indicative of how the market is changing and how services need to adapt. The replacement of many previous active labour market programmes with the Work Programme in 2011, comprising a core integrated welfare-to-work programme and measures designed to support people to find employment, including personalised support to address individual needs and employability (DWP, 2011), marked a shift towards private sector providers, working in partnership with supply-chain community-based organisations, on a ‘payment by results’ basis. This new ‘payment by results’ model placed a premium on developing individual claimant skills and moving them into sustainable employment by developing employability skills. **These developments are illustrative of important wider trends towards: (1) greater privatisation of service provision; (2) cross-sector partnership working; (3) an emphasis on skills development and sustainable employment.**

Alongside these changes, and as part of modernising the delivery of recruitment services in Great Britain to employers and support job search activities by individual job seekers, ‘Transforming Labour Market Services’ (TLMS) is being developed for Jobcentre Plus offices (the Public Employment Service in Great Britain). This new IT system will deliver job vacancy information and allow users to undertake job search activity through a personalised online account (Williams et al., 2011). The National Careers Service in England has been designed to meet the needs of adults and young people and will be launched in April 2012. A telephone guidance service will be funded by the Department for Business, Innovation and Skills and the Skills Funding Agency plan to continue to fund a network of public, private and voluntary sector organisations to provide face-to-face careers support to adults. Central to this support is labour market information and intelligence. **These developments highlight the increasing centrality of ICT in service implementation and delivery, and in access to information and intelligence.**

In Scotland, the Scottish Government published its reforms of post-16 learning in Scotland in 2011 recognising the need to support Scotland’s ability to compete in a competitive global market by focusing on improving employability skills of all (The Scottish Government, 2011a). Developing career management skills is central to the reforms, which means enabling individuals to “identify opportunities to develop their learning goals and employability skills and understand how the labour market works – how to find a job, to appreciate
how and why jobs are changing, and what sort of skills they need to progress; identify how they can progress within the workplace and equip themselves to do so” (The Scottish Government, 2011a, p.14). In order to achieve this, community, learning and development providers will be funded to “improve people’s life chances by improving their employability and progression to further learning, vocational training and work” (The Scottish Government, 2011b, p.26). There has also been a focus on developing a new IAG strategy and more in-depth integrated channels of careers service delivery (The Scottish Government, 2011b). The website ‘My World of Work’ was launched in August 2011 and was designed to deliver a new dynamic web-service based around consumer needs, which will allow greater levels of self-help by individuals seeking information, advice and guidance on careers skills and learning. These developments highlight the prominence of concerns with skills development and employability, and the emphasis on ICT in service delivery.

In Wales, the Employability and Skills Division of the Department for Education and Skills within the Welsh Government has been tasked with developing and communicating intelligent and analysed labour market intelligence to better align skills supply with demand. As part of this, the careers service has undergone a major review and services are now moving into a new stage of web-development, with labour market intelligence and information forming a key part of this strategy. In a bid to improve individual skills in understanding their local labour market and employment opportunities, individuals will be able to access labour market information. Two initiatives aimed at improving employability of those in Wales, includes: the Steps to Employment programme aimed at adult learners aged 18 years and over; and the Graduate Opportunities Wales (GO Wales) higher level skills project aimed at helping students and graduates prepare for work. Both initiatives offer a range of services such as work-focused interviews, work experience and access to training. These developments are illustrative of initiatives emphasising greater embedding of employability skills in other programmes and linking of local supply and demand.

In terms of the policy context, careers support services have three aims: to improve the efficiency of the education and training system within the labour market; to improve the match between supply and demand; and support equal opportunities and promote social inclusion (Watts and Sultana, 2004). European Union policy sets out a clear framework for member states to deliver career IAG to support learning and career policies with the aim of improving employability and participation in the labour market (see Council of the European Union, 2004, 2008). For individuals determining their career paths or making transitions in the labour market, careers support facilitates a positive outcome, such as participating in learning, finding employment, improving their skills or progressing with a chosen career. Careers professionals play an important role in providing impartial career guidance to ensure that individuals are well-informed about current and future education and employment opportunities.

There have been two major international policy reviews focusing on PES and the role of labour market intermediaries and careers guidance professionals: first, the OECD review (2004) of 14 OECD countries; the second conducted by Watts and Sultana (2004) included the findings from the OECD review expanding it to include a total of 37 countries. These policy reviews reported that the activities of Public Employment Services could be categorised into four types of activity: (1) a focus on long-term career strategies, seeking to secure not only immediate employment, but also future employability; (2) the personalisation of services; (3) the assessment of individual’s attributes and preferences; and (4) the attention paid to helping individuals to develop personal action plans. The OECD review (2004) suggested that integrating PES with lifelong learning strategies, access to career guidance and development services would help individuals to improve their employability. However, research undertaken by Sultana and Watts (2006) of PES across the EU, Iceland, Norway and Switzerland found that PES often focused on short-term goals of getting the unemployed into work (i.e. the ‘work first’ strategies outlined in section 7.1). This was found to create a tension with careers guidance professionals who endeavoured to work on long-term outcomes of encouraging lifelong learning and improving an individuals’ employability. This tension has been created by an increasing pressure on services to demonstrate effectiveness in terms of social and economic returns.
There is much evidence on the value and effectiveness of careers support in assisting individuals make career decisions, successful transitions into and through the labour market and improving their employability.\textsuperscript{43} However, measuring the effectiveness of career guidance is complex as the types of outcomes can be measured over different time periods (Hughes et al., 2002; Hughes and Gration, 2009a, 2006). Whilst some particular benefits of career guidance are immediate and identifiable (for example, employment or enrolment on a course) (Tyers and Sinclair, 2005), others are likely to accumulate over a longer period of time so are more difficult to measure. For instance, longer-term outcomes for the individual would include sustainable employment or enrolment on a course. For the economy, long-term outcomes of careers support can include productivity gains of those in long-term employment, reductions in skills gaps and shortages, reduced unemployment levels, and enhanced income levels. In addition, career guidance interventions can vary in terms of intensity, duration, discreetness of provision (i.e. a one off intervention or an integrated part of a programme) and experience/skills of career guidance professional. Evidence from a qualitative longitudinal study of effective career guidance in England on the role of careers IAG in enhancing employability is presented in Box 7.2. It is an interesting study as the participants’ voice in defining what exact was ‘useful’ for them is given primacy. ‘Useful’ was selected as an appropriate measure as enabled research participants to clarify the meaning in everyday life. Individual personal circumstances and context are, therefore, taken into consideration. Overall, the evidence suggests that careers IAG is able to support the development and enhancement of employability, but that it is a challenging process.

\textbf{Box 7.2: Evidence from a longitudinal study of careers guidance in England}

The main purpose of the research was to evaluate the effectiveness of career guidance in England by tracking the career trajectories of research participants over a five year period to evaluate the role of guidance in the process of career development and progression and how, over the longer-term, it could add value to post-compulsory learning and enhance employability. Fifty in-depth case studies were initially completed and with a low attrition rate, 29 of the original 50 research participants were contacted in the final year. The study provided clear evidence of what comprised one-to-one career guidance interventions that were regarded as ‘useful’ to clients and provided insights to the extent to which career guidance could support and enable individual’s career trajectories. The cumulative research evidence showed that career guidance services enable adults to make successful transitions. Importantly, this career support enable individuals to enhance and improve their employability by engaging in a range of activities such as improving their job search skills and knowledge of their local labour market, undertaking further vocational and academic qualifications, gaining work experience, undertaking voluntary work and testing out options. Career support was found to enable employability by: providing access to specialist labour market information; providing insights, focus, and clarification; motivating; increasing self-confidence and self-awareness; supporting the development of job search skills; and/or structuring opportunities for reflection and discussion. The research participants consistently defined this as ‘useful’ career guidance.

\textsuperscript{43} For further details see Bimrose and Barnes (2007a, 2007b); Bimrose et al. (2011); Bimrose, Barnes and Hughes (2005, 2006, 2008); Brown et al. (2010); Hughes and Gration (2009a); Tyers and Sinclair (2005).
From this research a four approaches to career decision making styles emerged (Bimrose and Barnes, 2007a, 2007b). The extent to which individuals adopt an evaluative, strategic, aspirational or opportunistic approach to making decisions about their career was found to be defining the type of support required from careers IAG. In terms of enhancing employability skills, careers support for evaluative career decision makers was about developing their awareness of their skills, improving their self-confidence and feeling able to identify longer-term career goals. Strategic career decision makers are more likely to have well developed employability skills as they will be able to focus on a career goal, seek out and appraise information and have well-developed problem-solving skills. Aspirational career decision makers, who often have a distant and challenging career goal, will need to develop high level employability skills. The evidence suggests that they are more likely to move between jobs, so they need to be confident in their skills and finding employment to ensure continuous employment rather than sustainable employment. Opportunistic career decision makers were found to take advantage of opportunities rather than make careers choices. In terms of employability, the evidence suggests that those approaching their career decisions with this style were unlikely to be in sustainable employment.


In a turbulent economic labour market, risk and uncertainty are prominent characteristics. In response, individuals have to make decisions and choices around particular courses of action. Barriers and constraints can arise and impede individual progress and the development of employability or adaptability skills (Bimrose, Barnes and Hughes, 2008; Brown et al., 2010). For instance: funding support may be unavailable to help with education or training costs; childcare is often not available (or not affordable) to support caregivers engaging with the demands of training; transport can be a problem, especially in rural areas; chronic, long-term ill-health often prevents engagement with training and labour market opportunities; or broader care responsibilities (for elderly parents) restrict choices, but individuals are able to exercise choice and choose to participate in learning or training to enhance their employability.

7.4 Overview

Overall, the literature has evidence that despite a shift away from organisational responsibility for employability development to the individual, there are still a number of enabling factors that tackle barriers to employability. The turbulent labour market and climate has resulted in a range of new education and employment policy measures and shifts in support services across Europe. Active labour market policy and its role in enhancing employability to help individuals participate in the labour market has been explored, together with training, work experience, work incentives and human resource management. All have been found to have an important role. Evidence on labour market intermediaries in PES and career IAG support has also been investigated. Both were evidenced to support the development and enhancement of employability despite the challenges, such as outcome measures and contextual factors.
8. YOUNG PEOPLE

Increasing the number of job opportunities for young people is one way of improving the school-to-work transition of young people (European Commission, 2010). This chapter starts by highlighting key features in debates on the employability of young people (section 8.1). The role of qualifications and work experience in young people’s progression to stable employment, as well as the influence of individual characteristics and general health and mental well-being factors, are considered in section 8.2. It is noted that these individual factors have some association with occupational aspirations, which in turn impact on employability and employability skills. The deployment of these assets is discussed also. Section 8.3 discusses the impact of wider individual circumstances, such as the household context, on employability. Section 8.4 is concerned with external labour market factors and also with institutional factors – notably the role of the education system and VET. Enabling factors are discussed also (section 8.5), with a particular focus on active labour market policy and the role of information, advice and guidance support. Section 8.6 provides an overview and highlights some gaps in the research and evidence base.

8.1 Introduction

8.1.1 The prominence of employability of young people in public policy debates

Many academic publications deal with the subject of ‘employability and young people’. However, very few of them actually answer questions such as: ‘What kind of employability skills are necessary for young people for a successful school-to-work transition?’, ‘Who is more successful in acquiring these skills?’, and ‘What barriers exist for the acquisition of employability skills?’ Very often the term ‘employability’ is mentioned to describe the situation of young people with a problematic school-to-work transition; nevertheless, neither the term nor its connection to the research subject is explored. Literature is mainly focused in the following research areas: the evaluation of active labour market programmes (ALMPs) and graduate employability. The evaluation of ALMPs, in which the improvement of young peoples’ employability is at least an unspoken gain, is mainly due to the obligation to evaluate programme participation as prescribed in the European Social Fund. The current interest in graduate employability can be related to the expansion of higher education in many European countries together with the implementation of an integrated European Higher Education Area, as promoted in the Bologna-Process (European Ministers of Education, 1999).

The public policy debate often makes reference to deficiencies in young people’s employability skills (see section 8.2 for further discussion) due to failure at school (Krahn et al., 2002). Publications refer to potential actors: mainly the young people themselves, but also employers, educators and parents or the family and peers. Hardly any of the literature refers to an age definition of young people (for an exception, see Kampstein and Brenscheidt, 2011). This is in part related to the prolongation in the past twenty years of the transition from school to work and the increased complexity encountered in passing through it (Bynner and Parsons, 2002). Some young people might churn from one poor quality low-skilled employment position to another; this may act as a conduit for long-term recurrent poverty if they are unable to find sustainable employment (Furlong and Cartmel, 2004). At the other end of the spectrum, they may have spent many years in higher education before being able to search for stable employment.

8.1.2 An extension of concern to include graduates as well as less well qualified young people

Whilst traditionally the main focus of debate was on unskilled and/or low qualified young people with little or no work experiences and disengaged from academic education or vocational training

44 The Bologna Declaration of 19th June 1999 can be viewed at: http://ec.europa.eu/education/higher-education/doc1290_en.htm
Scarpetta et al., 2012: 2), recently the situation of skilled youth has received more attention:
upper-secondary or tertiary graduates who might leave the education system unprepared for the
labour market which could result in high youth unemployment rates but also in large shares of
youth working in fields unrelated to what they have studied or who are overqualified (i.e. work in
jobs that require lower qualifications than those they possess) (OECD, 2011; Scarpetta et al., 2012;
Perez et al., 2010: 22ff).

Unemployment and inactivity in young people can lead to further problems in finding and keeping a
job and to a vicious circle of inactivity and marginalisation. As Scarpetta et al. (2012) put it:

“For many young people inactivity is the result of discouragement and marginalisation,
which tend to reflect the accumulation of multiple disadvantages, such as the lack of
qualifications, health issues, poverty and other forms of social exclusion. [...] The NEET
status can be very persistent for some young people, leading to a vicious circle whereby
inactivity feeds into discouragement and that, in turn, to a further detachment from the
labour market”.

8.1.3 The increasing complexity of youth transitions from education to employment

As noted above, a common experience in Europe over the past 20 years or so has been a
prolongation of the transition from school to work and the increased complexity encountered in
passing through it (Bynner and Parsons, 2002). Young people change employers more often than
previous cohorts of young people did or older people do; they are more likely to be in temporary
jobs than older workers and they are starting long-term jobs later in life. As young people are
participating more in short-term work, they are also entering and leaving unemployment more
often than older people (Worth, 2005). Many jobs for young people are temporary. On average in
the OECD area 2010, 38% of young workers aged 15/16-24 were employed temporarily (OECD
2010, quoted in Scarpetta et al., 2012). Nevertheless, the amount of temporary contracts varies
across countries. At least half of all young workers have temporary contracts some of which are in
apprenticeships in Slovenia, Poland, Spain, Sweden, Portugal, France, Germany and Switzerland.

Nevertheless, temporary contracts can often pose a stepping-stone to a permanent contract rather
than a dead end (Cockx and Picchio, 2009). A high incidence of temporary employment is also a key
factor in explaining the concentration of job losses among youth during the recent crisis. In Spain,
for example, the extraordinarily high youth unemployment is connected not only with the depth and
length of the economic crisis but also with the fact that more than 60% of young people were
employed on temporary contracts before the crisis and many of these jobs were destroyed during
the crisis (Scarpetta et al., 2012).

Based on the growing amount of young people outside of the labour market, there is increasing
pressure to enter training, go back to education, or take on any kind of job. Labour market
inactivity—including that connected with teenage motherhood—has become stigmatized as an
unacceptable option (Bynner and Parsons, 2002) with growing demand for young people to take
part in active labour market programmes. “Participation in education or training is presented as
both an end in itself and as a panacea for a range of social ills” (Simmons, 2009).

The ‘scarring debate’ discusses whether a problematic school-to-work transition has any long-term
implications on employment as an adult. This includes the view that the failure to gain the critical
work experience and job training after leaving school is permanently damaging (as intimated in
section 6.1) not only with respect to the whole employment life-course (for the UK see
Arulampalam et al. (2001), Gregg (2001); for Germany see Lauterbach and Sacher (2001), OECD
(2011)), but also in making a satisfactory adjustment to adult life (Bynner and Parsons, 2002). It
has been further discussed whether poor labour market experience damages identity capital
formation rather than just its human capital component (Bynner and Parsons, 2002; Korpi and
Mertens, 2003). Under- or unemployed young people might therefore be entering a potential life-
time experience of being stuck in a vicious circle of precarious jobs without the opportunity to build
up generic or vocational skills. As Krahn et al. (2002) states, the employability skills discourse rests
on two assumptions: first, that many young people are deficient in employability skills, mainly because schools do not sufficiently emphasis such skills and, secondly, that many students lack awareness of the skills needed in the world of work. In this context it is valid to review previous research on the state of knowledge on the employability for young people:

"Success in converting skills into productive jobs largely depends on developing a better understanding of whether the right mix of skills is being taught and learned in equitable and efficient ways, whether economies and labour markets are able to fully utilise their skill potential and whether governments can build strong governance arrangements and effective coalitions with their social partners to find sustainable approaches to who should pay for what, when and where. It is recognized that higher educational attainment improves the labour market prospects of young people and that a corollary of low educational attainment is marginalization through unemployment/inactivity" (Scarpetta et al., 2012).

8.2 Individual factors

8.2.1 Qualifications and the role of work experience

Together with work experience, qualifications are usually seen as a proxy for employability skills (Finnie and Meng, 2002). It has been found that there is a positive association between achieved qualification and employment rates (Perez et al., 2010). Upper secondary education has been identified as a minimum requirement for access to the labour market and individuals who leave education and training without having obtained that level of qualification have more difficulties in finding a job and experience higher unemployment rates (Perez et al., 2010) (for the UK see DfES 2007: 12). Simmons (2009) points out that the educational choices of young people who leave school with insufficient qualifications to pursue higher-status academic or vocational courses are severely limited.

Krahn et al. (2002) analysed where high school applicants had acquired specific skills and found that high school, paid employment and work-experience programs appear to be equally important in developing technical and computerskills whilst specific job preparation knowledge and skills were most likely acquired in work-experience programmes.

The expansion of higher education in most European countries has made it harder for individuals from this larger cohort of graduates to access employment that requires and values graduate skills and knowledge. This is certainly the case in established graduates occupations (Elias and Purcell, 2004), but, many new and niche graduate occupations have been created in response to the expanded supply of graduates.

Paid employment or formal work-experience programs are one way in which young people can develop the positive work attitudes and behaviours they will need to exhibit as adult workers (Krahn, 2002) such as vocational knowledge, understanding and skills (Simmons, 2009).

Krahn et al. (2002) compared students who had worked in unskilled or semi-skilled sales and service jobs with classmates in other kinds of jobs and found that they were considerably more likely to have acquired people/social skills through this work. Students in clerical and blue-collar jobs were more inclined to describe specific job preparation skills, presumably because they had been trained accordingly. Appropriate work attitudes and behaviours were most likely to be mentioned by students in technical, managerial or professional jobs. These higher status jobs are typically found in larger work organizations where appropriate work attitudes and behaviours are more relevant compared to smaller settings.

In a number of countries, internships have expanded recently to encourage the acquisition of work experience. As much as paid or unpaid internships can help to increase the employability skills of young people, their quality is often not secured and young people are in danger of being exploited as a cheap form of labour for employers (Scarpetta et al., 2012; European Youth Forum, 2011). Also, unpaid internships are mainly available to those with access to external financial resources, in particular from their families. As a result, families and young people already on the margins of
society will lose out, and the gap between privileged and non-privileged students and labour market entrants could widen. In some countries, France in particular, it is requested that an agreement is required between the education establishment and the employer and all interns working beyond a certain length of time are paid a low wage (OECD, 2008).

Work experience can be acquired by temporary employment which is prevalent in many European countries and can either be seen as stepping stones into permanent employment (Cockx and Picchio, 2009) or to serve the increasingly short-term needs of employers in the more casual sectors (Worth, 2005). Indeed, in some European countries (United Kingdom, Ireland, Belgium, Luxembourg, France, Greece, Finland, Italy and Spain), the probability of young people getting a permanent job one year after working at a temporary job is higher than after being unemployed. This probability, however, is much higher for higher education graduates than for those with lower levels of education (OECD 2010, quoted in Scarpetta et al., 2012).

8.2.2 The role of demographic factors

The previous section has shown that employability skills can undoubtedly contribute to a smoother transition into stable employment. It is, however, unclear, whether this holds for everybody, disregarding personal characteristics such as gender, age and ethnicity.

Bynner and Parsons (2002) found gender differences in the probability to enter NEET. For boys, significant determining factors are parents not reading to a child (boys at age 5) and/or living in the inner-city whilst the lack of parental interest in child’s education (girls at age 10) and family poverty (e.g. free school meals) had increased a girls’ probability to enter NEET. These effects were persistent even when highest qualification achieved at 16 was taken into account.

Career aspirations have been discussed in respect to gender-specific employability skills. Howard et al. (2011) found in the US that, despite different ethnicities, girls aspired to careers that required more education than did boys. In a Canadian study, both among graduates and non-graduates, literacy scores were consistently higher for women than for men in all employment categories (Finnie and Meng, 2007). Krahn et al. (2002) found that female respondents commented more frequently on people and social skills acquired from formal work-experience programs whilst male sample members were more likely to mention the appropriate work attitudes/behaviours that they had acquired from their work-experience program.

In the Canadian study referred to above, age was found to be positively associated with the probability of dropping out of school i.e. younger students were more likely to dropout (Finnie and Meng 2007). Younger respondents in high school programme were more likely to mention that they had acquired job-appropriate attitudes and behaviours. In contrast, older sample members were considerably more likely to mention specific job-preparation skills, which can be explained by older students being more focused on getting into the labour market quickly (Krahn et al., 2002).

Turning to ethnicity, in an evaluation of the New Deal, Fieldhouse et al. (2002) find that, programme benefits in relation to employability were recognised by many minority ethnic young people such as participants’ perceived increased levels of confidence and the development of new skills. In Germany, it has been found that the proportion of young foreigners without vocational training has decreased from 40% to 35.8% (BiBB Datenreport, 2009).

8.2.3 General health and mental well-being

As stated above, the experiences of being NEET or in precarious employment can be a part of a vicious circle in which young people fail to build up necessary employability skills which again decreases their chances of entering stable employment. Bynner and Parsons (2002) found that, for young women, the NEET experiences appear to impact facets of their identity. “The association of NEET with negative psychological states, including (self-reported) lack of a sense of control over life and problems and dissatisfaction with life, points perhaps to more fundamental damage occurring” (ibid, p. 302). On a cautionary note, however, the authors state that women are more
willing to express their feelings about themselves openly than men, so young NEET men’s lack of
acknowledgment of psychological difficulties does not rule out their existence.

In their Canadian study, Finnie and Meng (2007) noted the differences in experienced learning
difficulties as a child on increased probability of leaving school early for both men and women.
However, having a disability did not directly influence the employability of men who had dropped
out of high school, but it had a significant, adverse effect on women in terms of current or full-time
employment.

8.2.4 Deployment of employability assets in job seeking and transition management

Employment opportunities can be shaped at an early age by occupational aspirations and, at a later
stage, by training programmes. Occupational aspirations are defined as the expression of the
individual’s ideal career goals and are differentiated from occupational expectations, a more
realistic expression of the individual’s career goals. Howard et al. (2011) review literature in which
career aspirations have been found to be important predictors of later occupational attainment in
part because low-aspiring peers are less likely to pursue the education, training, and experiences
necessary to enter high-status occupations.

Miller and Liciardi (2003) examined the topic of career preparedness of students enrolled in a
career management course. Students perceived that the course helped provide them with career
direction; and that the course allowed them to recognize the importance of matching their careers
to their values. A similar study analysed how a MBA programme had impacted on their
employability, ability to manage, and career development. Respondents believed their managerial
skills, and employability post-graduation was improved through MBA studies. Also, the MBA
programme had a moderate effect on their career advancement opportunities as postgraduates
(Mihail and Elefterie, 2006).

It is not only education, training or employment factors that impinge on job seeking and career
aspirations. In a study of Belfast Green et al. (2005) found that non-work and non-education
related social networks (of friends and family) are used by young people to either expand or
constrain geographical horizons and that these networks help to shape knowledge and perceptions
of employment opportunities (as explored further in section 8.6).

8.3 Individual circumstances

There are household-related barriers, which limit young people’s chances to gain qualifications and
other employability skills (as discussed in section 5.2).

As noted above, Green et al. (2005) studied young people from socially disadvantaged areas in
Belfast. Here, due to sectarian reasons, problems of imperfect knowledge are compounded by
social and religious divisions, which mean that some regions are perceived as inaccessible or
unsafe for employment purposes. Although sectarianism is fairly rare in Europe, social segregation
is experienced in many other towns and cities, especially for ethnic minorities. One of their results
was that young people have quite accurate basic knowledge of the location of employment
opportunities; however, factors of limited mobility, lack of confidence and religion intertwine in
complex ways to limit perceived opportunities. Mobility problems could have arisen for a number
of reasons such as transport (or its lack), restricted social networks which result in limited knowledge
of opportunities outside their local area, and certain regions in which employment is perceived as
unsafe and therefore inaccessible. Geography plays an important role in shaping access to
employment and training opportunities.

Educational commitment of parents and carers has been found as one impact factor for drifting
into a NEET status (Bynner and Parsons, 2002). In this perspective, it is important to see the
connection of social context and the acquired employability. In a Canadian study, Finnie and Meng
(2007) found a strong influence of parental education on a child’s educational attainment. The
reproduction of qualification is an area of interest for many researchers. Parental commitment and
influences have also been positively linked to entrepreneurship. In Portugal, 906 completed
questionnaires were collected from students in their final year of high school to test whether entrepreneurial and employability prospects were linked to personality (Silva et al., 2010). A set of personality characteristics was found to be associated with high entrepreneurial orientation, including: entrepreneurial skills, interests and behaviour; willing to learn business strategies; leadership skills (ibid). It could be argued that these skills and behaviours are not only learnt at school but also from parents. For instance, other research how evidence that entrepreneurial parents is a positive indicator of a young person becoming an entrepreneur (Lumpkin et al., 2011; Schmitt-Rodermun and Vondracek, 2002; Teixeira et al., 2011). More recent research using international student assessments has considered individual socialisation (of which parental influence is part) as a key determinant of entrepreneurial intentions (Falck et al., 2012). It concluded that peers have a positive influence on entrepreneurial intentions, but that country values can also be a key influencing factor.

Traditionally, higher education is the route via which young people could achieve the same or higher level of qualification as their parents, or, more specifically, their fathers. The expansion of higher education in many countries, on the other hand, has led to a diversification of higher education. In order to achieve a higher status (compared to other graduates), some students have chosen to study in a different country (Findlay et al., 2012; Behle and Purcell, 2012), but this choice is constrained by national differences in funding study and linguistic ability. Higher education is increasingly seen as a place to develop entrepreneurial and employability skills (Fletcher, 1999; Mason and Hopkin, 2011; Moreland, 2006; Sewell and Pool, 2010). Longitudinal survey of 331 key stakeholders was undertaken over a ten-year period to analyse influences on the development of enterprising graduates from UK higher education institutions (Matlay, 2011). Students, teaching and research staff, managers and administrators were evidenced to be the most influential stakeholders in entrepreneurial graduates. The stakeholders were important to both the demand and supply side here and demonstrated the importance of networks.

Bynner and Parsons (2002) identify attributes such as social support networks, or 'social capital' (Coleman, 1998) and family know-how, or 'cultural capital' (Bordieu and Passeron, 1977), biological and health factors, and 'identity capital'. Identity capital can be seen as manifested in the personal agency that enables individuals to find their way into and through the labour market. The lack of these attributes typically originate in a childhood marked by disadvantaged family circumstances and young people consequently being described as having less chances in life. Research has shown that a lack of these types can be disadvantageous to young entrepreneurs (Kibler et al., 2011).

8.4 Labour market factors

8.4.1 The external labour market and spatial context

Labour demand at local, regional and national levels may impact on the level and nature of employability skills that young people require to gain employment. The risk of being unemployed, belonging to the group of NEET (neither in employment nor in education or training) or being 'underemployed' (i.e. working in jobs not commensurate with their abilities) is higher for low skilled young people or young people living in disadvantaged and remote areas and those from particular contexts, such as immigrants or people with minority ethnic backgrounds (e.g. see Bell and Blanchflower, 2011). It has been estimated for young men in the UK that about three quarters of all young unemployed men find stable employment before the age of 35 whilst the remaining quarter, concentrated among the lower-skilled, keep returning into unemployment, suggesting structural employment instability (Kalwij, 2004). In Germany, official data indicates that the rate of not vocationally qualified young people (between 20 and 29) is 15.1% (BiBB Datenreport, 2009).

8.4.2 Regulation and institutional factors

The school system and regulations regarding vocational and educational training (VET) are important in shaping the nature and level of employability skills that young people require to gain employment. Given the particular pertinence of education and VET systems for young people, it is
appropriate to examine their role here, noting that there may be important differences in such systems by country.

Brunello and Checci (2007) analysed how the impact of differences in school selection/ streaming/tracking practices\(^{45}\) can induce school stratification. A school system is characterised by ‘tracking’ when secondary school pupils are allocated to different tracks, which usually differ in the curriculum offered as well as in the average cognitive talent of enrolled students. The tracking of children could either result in a reduction of the influence of family background on educational outcomes, or, on the contrary, there could be an equity–efficiency trade-off in terms of more homogeneous classes and much more effective teaching. They find that “whenever tracking reinforces the family background effect, it contributes to reducing intergenerational mobility in educational attainment and fosters inequality. On the one hand, we find that reinforcement occurs both for educational attainment and for the earnings of young adults. On the other hand, there is also evidence that school tracking reduces the impact of parental background on literacy and training” (ibid: 786).

In Germany, the expansion of access to a Gymnasium (a selective type of secondary school which prepares students for higher education) has coincided with a higher proportion of school pupils choosing vocational training rather than higher education (Powell and Solga, 2011). Solga and Wagner (2001) shows that the failure to achieve any secondary school qualification, in the context of facilitated entrance to better schools, increases the feeling of individual failure.

Relatively few authors have analysed the impact of different vocational training regimes on the employability of young people. Generally, three different types of vocational training exist: learning-by-doing, vocational schools and company-based apprenticeships, and, in many countries, combinations of the three basic types are offered. In some cases, vocational training is offered within the general educational system. The school-based alternative is most extensive in some European countries such as Finland, France, Norway and Sweden whilst apprenticeships are most prevalent in Germany, Austria, Denmark and the Netherlands (Korpi and Mertens, 2003).

Korpi and Mertens (2003) compare general school-based vocational training and specific apprenticeship training with regard to inter-firm, inter-occupational and inter-industrial mobility. Mobility on one hand can mean frequent job switches and interruption through unemployment spells may lead to loss of human capital and become a signal of limited employability; on the other hand, mobility may also be an important means for workers to improve their own economic position and could be an indication of transferable skills. Korpi and Mertens’ results show that workers with school-based highest qualifications demonstrate greater occupational mobility, while no difference in firm and industrial mobility can be discerned.

Rauner (2006) distinguishes between occupationally-orientated and general employability-orientated vocational training systems. In occupationally-orientated vocational training systems, the training is designed to achieve the ability to act competently within an occupational field. Young people gain their qualifications through the completion of courses which are developed by employers’ organisations and trade unions and thus integrate theoretical knowledge and workplace learning. In general employability-orientated training systems, a ‘market of qualifications’ allows young people to increase their employability skills through the certification of competencies, acquired either through work experience or courses in a modularised system. Skills are determined both by market mechanisms and decisions taken by individuals in order to enhance their careers or income.

Building on the findings of Rauner (2006), Brockmann et al. (2008) compare the vocational training systems in Germany, the Netherlands and the UK and their impact on employability skills. All three VET systems have been undergoing major changes over the past two decades. Thus, to a certain degree, all systems have moved towards greater emphasis on ‘employability’ (individualised,

\(^{45}\) These extent and nature of these practices vary between countries.
flexible VET) and away from ‘occupational education’ (tightly regulated, fixed qualifications). However, the authors stress that there is a different meaning to the term ‘employability’ in the three countries. In Germany and the Netherlands, learning processes are formulated as outcomes in order to enhance comparability of qualifications and thus the occupational mobility and employability of individuals. Crucially, they are linked to curricula and pedagogy. Competence in the continental countries is understood as a multi-dimensional concept, which is developed by applying aspects of the whole person, including the ability to reflect on situations and on one’s own actions. Thus, students and workers become producers of knowledge, central to the success of knowledge-based labour processes. ‘Employability’ in these countries, therefore, is not solely or primarily focused on the interests of employers. Especially in the Netherlands, there are policy initiatives that enable individual employees to adapt to a changing labour market by providing mechanisms that facilitate learning and occupational mobility.

On the other hand, in England learning outcomes are defined according to employers’ skill needs, and lifelong learning in practice constitutes the accumulation of skills in relation to particular jobs or tasks. Qualifications are awarded on the basis of performance in the workplace against criteria set by employers, which typically refer to narrow sets of skills. Vocational training lacks a developed notion of citizenship and overlooks general education and any form of personal development. Employability in the English vocational training system refers to a functionalist interpretation of lifelong learning, which may ultimately impede occupational mobility. In the context of low theoretical content, the skills-based approach lacks any notion of broad competence development and occupational identity. As a result, the authors question whether the aims of the European Qualifications Framework (EQF), such as enhancing transferability and comparability, can be fulfilled.

In a study comparing young people in West and East Germany, Behle (2005) found that the social composition of young people with problematic school-to-work transitions varies with the level of labour demand of the surrounding labour market. This is also reflected within their mental health (defined as the ability to cope with external and internal needs); East German young people who are excluded from the labour market are more stable mentally than West Germans due to employers’ selection practices. In the Western part of Germany, employers select the most highly qualified for apprenticeships and employment. In the East, there are fewer employers selecting from a larger group of people. As a result, the excluded group in the denser labour market displays a more stable mental health compared to a similar group in a less dense labour market (ibid).

8.5 Enabling factors

There are many initiatives to improve the employability of young people in EU Member States and at EU level. One of the two strands of EU action is described as “providing financial support to national and cross-border action in line with agreed priorities: this is done by a variety of programmes, notably the European Social Fund and other EU programmes such as the Lifelong Learning Programme, Youth in Action and PROGRESS, the latter supporting in particular new policy approaches through social policy experimentation. Other EU funds also support measures helping to tackle youth unemployment” (European Commission, 2011). Especially for young people, active labour market programmes exist in many countries which may take the form of job search assistance programmes to help youth who are assessed as job-ready; training programmes work, ideally carefully tailored to local or national labour market needs, and hiring subsidies, usually targeted at the most disadvantaged (e.g. low-skilled youth) and at employers who are expanding their workforce (Scarpetta et al., 2012). ALMPs might enhance effective labour supply by helping individuals to keep in contact with the world of work, thereby maintaining their motivation and skills (Martin and Grubb, 2001).

Building on the discussion in section 8.1, in general, there are two, intertwined aims of ALMPs: (1) the reduction of youth unemployment (and thus, the reduction of young people claiming benefits) and (2) the increase of participants’ employability (Finn, 2000). Changes in employability were evaluated for the New Deal for young people in the UK by various authors (see Bryson et al., 2000;
Hillage and Pollard, 1998; Hoogvelt and France, 2000; and for Australia, Richardson, 1998). In Germany, Behle (2007, 2012) analysed changes in the ability to cope with external and internal needs of participants of the JUMP programme, and thus, analysed the way in which ALMP aimed at young people can improve their employability in different labour markets (East and West Germany). The OECD acknowledges the role active labour market policies and institutions can play for young school-leavers without the skills required by employers and needed for the transition to work and lifelong-learning (OECD, 2010).

The impact of ALMPs on participants’ employability is, however, criticised on various counts. Worth (2005) points out a dilemma of subsidised work schemes: “Why is the employability agenda encouraging young people to embrace non-permanent, volatile employment patterns, while many vulnerable members of the labour market are left in a churning trap due to this employment”. Simmons (2009) agrees and states that supply-side labour market initiatives might collude with or reward the prevalence of poor work, rather than challenging it. Some young people feel exploited by programme participation, especially, when they cannot see their personal skill gain (e.g. Behle 2007; Fieldhouse et al., 2002). Even though Simmons (2009) fundamentally criticised the work-based learning programme, he agrees that young people in work-based learning managed to raise their levels of motivation and confidence, and thus developed personal effectiveness.

Simmons (2009) criticises the assumption of ALMPs that the causes of high levels of youth unemployment lie primarily in the shortcomings of young people and the ineffectiveness of mainstream education to provide them with the necessary skills and abilities to become employable. Alternative causes of youth unemployment, such as a lack of job opportunities, low levels of demand for skill or economic policy tend to be ignored (ibid). Worth (2005) also referred to the pressure faced by front line personal advisors to move clients moved into jobs at the earliest moment (i.e. the ‘work first’ emphasis outlined in section 8.1), which can exacerbate the churning problem (Worth, 2005). Fieldhouse et al. (2002) criticised the New Deal for Young People programme on the grounds that it targeted the wrong kind of young people who were already likely, in a buoyant economic period, to gain employment.

Bynner and Parsons (2002) point out that young people under 18 especially are at a critical stage in their lives, which underlines the importance of professional intervention to move their careers off a possible exclusion path toward fulfilling occupations. As discussed in sections 7.2.3 and 7.3, high-quality career guidance can improve young peoples’ informed decisions about their future skills but requires early action in lower secondary education, highly qualified guidance personnel and timely and high-quality data on local labour market needs and employment prospects by occupation. Unfortunately, Scarpetta et al. (2012) show that most existing career guidance programmes suffer from severe underfunding, are provided by teachers who lack familiarity with workplace requirements, and cannot rely on accurate labour market and skill statistics and projections by region and occupation.

8.6 Overview

Unemployment or underemployment in low skilled jobs can result in young people being stuck in a vicious circle, as they are unable to build up transferable employability skills which are necessary to find employment in secure and stable jobs. Longitudinal studies show that a problematic school-to-work transition can have long term scarring effects on adult employment.

At the opposite end of the continuum, many graduates fail to find employment that requires and values graduate skills and knowledge, and therefore work in non-graduate jobs. Many young people use temporary work and internship in order to gain employability skills and build up networks to find employment in positions appropriate to their level of qualification. Nevertheless, many authors see temporary work or internships as being problematic both because unpaid employment can only be afforded by privileged young people and because there is a danger of interns being exploited as cheap labour.
From a pan-European perspective, it is important to bear in mind that many different general and vocational training systems exist and that young people face different labour market demands. Obviously, these national and regional differences in schools and VET regimes impact the development of employability, as do differences in labour market demands. In many countries, active labour market programmes have become part of the school-to-work transition. ALMPs can be used to build up the employability skills of young people, especially in a labour market in which young people were excluded due to their lack of skills. On the other hand, young people in ALMPs often feel exploited, similar to internships, and in some cases, ALMPs have not changed their labour market perspectives but has stigmatized them.

Despite the number of papers written on the subject, there are research gaps in the area of which young people are considered less employable and how to characterise employability for young people. Very little research exists regarding the contribution of secondary schools and/or vocational training to develop generic and specific job-relevant skills and abilities. There is a clear need for more research devoted to the job prospects of workers with vocational training (compared with those with general education background). Issues of interest include the speed of transition from school to work and the degree of work insecurity (see Perez et al., 2010: 8-9).
9. **OLDER PEOPLE**

This chapter outlines issues relating to the employability of older people. It sets the scene by highlighting the context for concerns with ageing, by highlighting the main concerns of debates on the employability of older people and by discussing the different definitions used in studies focusing on older workers, while also emphasising their heterogeneity (section 9.1). It goes on to consider the individual characteristics of older people, with particular reference to skills and issues of health and wellbeing (section 9.2), and their circumstances (section 9.3). External labour market factors and older workers are considered in section 9.4, and here employers’ practices are highlighted in particular. Enabling factors are reviewed in section 9.5 and section 9.6 provides an overview.

9.1 Setting the scene

As indicated in Chapter 1, since 2000 there has been a drive at EU level to increase employment rates overall. This also involves raising employment rates of older people (aged 55–64) to an average of 50% by 2010. The Europe 2020 strategy, referred to in section 1.1, calls for a further increase in employment rates by 2020 (to 75% for women and men aged 20–64), envisaging in particular an increase among older people, without setting specific targets for this group.

The phasing out or withdrawal of early retirement schemes (referred to in section 7.1) and the rise of pensionable ages in many European countries as a result of population ageing and its impact on the welfare system effectively lengthens the working life of the individual. Trade unions have expressed concerns that rising pensionable ages may lead to poverty in old age if people are no longer able continue working until they get the full pension benefits or do not find suitable employment. Maintaining or increasing older people’s employability is therefore a key issue from both individual and societal perspectives. In recent years there have been more calls for improving employability over the life-course in order to reduce the need for remedial measures during the later stages of working lives when such measures may be less effective or more costly.

Employability has also become more important as the psychological contract has changed; instead of the stereotypical job for life, people need to change jobs over the course of their working life and need to ensure that they keep their skills and expertise in demand while successfully adapting to change.

As outlined in section 3.4, in response to the demographic challenge in Finland, Ilmarinen and colleagues at the Finnish Institute of Occupational Health began to develop the concept of work ability some 30 years ago, with further research subsequently being carried out in many EU countries and beyond. To recap, work ability is described as a balance between the resources of the individual and the demands at work, with factors seen as influencing work ability including health, competences, values and motivation and the work environment, but also other factors, such as the family, the wider environment and policies. Longitudinal research in Finland found that line managers were key to influencing the work ability but that training was required to raise their awareness. This led to the development of the concept of age management and to further research across Europe (Ilmarinen, 2011). In the mid-1990s, the European Foundation embarked on research on good practice in age management in Europe and published a range of case studies together with a good practice guide on age management (Naegele and Walker, 2006). Since then further good practice case studies on age management in companies have been conducted by Eurofound, other organisations and cross-national research teams. “Good practice in age management is defined as those measures that combat age barriers and/or promote age diversity” (Naegele and Walker, 2006: 3) and covers the following dimensions: job recruitment; learning, training and...

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47 For examples of ongoing work on work ability in German companies see BAUA (2011).
48 [http://www.eurofound.europa.eu/areas/populationandsociety/ageingworkforce.htm](http://www.eurofound.europa.eu/areas/populationandsociety/ageingworkforce.htm)
lifelong learning; career development; flexible working time practices; health protection and promotion, and workplace design; redeployment, employment exit and the transition to retirement; and comprehensive approaches to age management adopting a holistic HR policy rather than focusing a specific measure (Naegele and Walker, 2006). An OECD study (2006) highlighted the importance of the following factors for strengthening the employability of older workers, particularly when working lives are extended due to demographic changes: training (and making it more “profitable” for both employers and employees); providing assistance to older job seekers, addressing negative employer’s perceptions of older workers, relatively higher labour costs (if wages are not in line with productivity), improving working conditions for older workers and offering more flexible working, including part-time work, and improving financial incentives to remain in work for longer.

A Swedish study (Kadefors et al., 2007), drawing on interviews with 78 workers aged 50 plus, as well as representatives of trade unions, the Swedish Social Insurance Agency and the Public Employment Service (PES) identified four kinds of obstacles older workers face when remaining in or returning to the labour market:

- competences, most often the lack of up-to-date technical skills, particularly ICT skills, due to both the lack of training opportunities offered by employers and the lack of engagement in training;
- health-related barriers (e.g. musculoskeletal problems, high pace of work, irregular hours);
- regulations (e.g. the higher cost faced by employers in employing an older worker, financial training incentives, etc.);
- negative attitudes (of employers and older job-seekers themselves and lack of interest of PES in supporting older unemployed people).

Highlighting the results of the study that such obstacles are often beyond the influence sphere of the individual, the authors suggest the term “contextual employability” is an apt descriptor of the situation facing older workers.

As demonstrated in section 3.1, employability is a complex and variegated concept with no generally accepted definition. In the case of studies of older workers it is generally understood to mean the ability to get and maintain a job. However, few studies focusing on older workers have developed a conceptual model of employability (e.g. Ruf, 2008, not dissimilar to the work ability concept, Stevens 2008, drawing on Hillage and Pollard, 1998) and measure it (e.g. van der Heijden 2002; van der Heijde and van der Heijden, 2005) or analyse the probability of being employed (Ahmed et al., 2012) or look at a wider range of factors impacting on the employment rate of older workers (e.g. Villosio et al., 2008). The vast majority of studies research one or more factors that ‘common sense’ suggests impact on employability of older workers (e.g. age discrimination, lifelong learning or participation in training or education levels).

There is no single accepted definition of older workers, with existing definitions for statistical purposes ranging from a lower threshold of 45 years (Australian Bureau of Statistics (cf. Billet et al., 2011a, 1011b), to 50 (e.g. statistical information in the UK) and 55 (EU statistical data, e.g. EWCS). Older workers may be referred to as ‘mature-age workers’ (45 plus in Australia), ‘seniors’ (often referring to the 50 plus), ‘ageing workers’ or in the context of specific European projects on older workers as ‘Best Agers’ (55 plus49) or ‘Golden Workers’ (older people who choose to remain at work).50 Moreover, definitions of older workers vary across industries, with the IT industry with its relatively young age profile referring to those aged 40 plus as older workers; while in the German metal and electronics industry the 45 plus group would be regarded as older workers as at that stage in their life they may experience difficulties finding a job (Bagnali et al, 2006). It also needs to be noted that older workers are a diverse group and that generalisations according to their

49  www.best-agers-project.eu
50  www.goldenworkers.org/
chronological age are not appropriate. This review covers studies largely focusing on the 50 plus age group, including a few focusing on the 45 plus age group.

9.2 Individual factors

9.2.1 Employability skills and characteristics

This sub-section reviews studies focusing on employability skills and characteristics of older workers.

Van der Heijde and van der Heijden (2006) developed a competence-based multidimensional instrument that measured employability and tested it among employees and their supervisors (289 matched pairs) in a Dutch company manufacturing building material. The five dimensions, operationalised through a set of 47 questions, were occupational expertise in a general sense; anticipation and optimisation (development and application of new skills, also with possible future job changes in mind); personal flexibility (largely focusing on the individual's reaction to change), corporate sense (akin to employee engagement and including collaboration with colleagues) and balance (balancing out different demands, including work-life balance and career / personal development). Looking at different age cohorts (15-34 years, 35-49 years and 50 plus years), the results of the multivariate analysis suggested that, following the self-assessments of employees, personal flexibility declines with age, and that, following the assessments of supervisors, all employability dimensions except balance were lower among older employees, especially the 50 plus group (Van der Heijde and van der Heijden, 2005). It should be borne in mind that this study was based on one organisation, covering mainly male employees with medium to higher level education (i.e. at least a basic vocational education), and so the transferability of the findings may be limited.

A conceptual model of workers’ employability developed as part of a German project on employability and demographic characteristics in North-Rhine Westphalia covered the six dimensions outlined below, and these resonate in many respects with the work ability dimensions (competences, health, and motivation) and aspects of the concept developed by van der Heijde and van der Heijden (2006):

- Competence (e.g. communication skills, stamina and tolerance towards frustrations, ability to organize, ability to innovate, match between job and competence);
- Health at work (e.g. physical and mental demands) and the individual's health (ailments);
- Ability to learn (e.g. motivation to learn, ability and readiness to take on new tasks and to actively engage in the process of change);
- Integration (e.g. social networks, ability to work in a team);
- (Self) Management (e.g. work life balance, emotional stability, geographical mobility;
- Responsibility (e.g. readiness to take part in training, ability to make decisions and to take on responsibility (Ruf, 2008: 28).

A study on older skilled workers in the metal and electronics industry in south-west Germany (Baden-Württemberg) sought to assess their employability (i.e. their chances to get and maintain a job) and to investigate where training needs have to be met through suitable measures, drawing on quantitative data (200 questionnaires, response rate: 5%51) and interviews with HR staff and older skilled workers (50 interviews in 15 companies) (Bagnali et al., 2006). In the qualitative study training needs were identified in three areas: technical skills (e.g. computer assisted design and production methods, software applications as well as language skills), general skills (including

51 It needs to be noted that even for an employer survey the response rate is rather low but the study is otherwise sound and provides rich data, with quantitative and qualitative data allowing triangulation of findings.
flexibility) and social skills (including team work). In the trade area, it was reported that it was important that older workers take to the new production techniques and focus more on customer orientation. Similar training needs were identified in the quantitative study (software skills and computer-assisted production methods, followed by willingness to learn and social skills). The authors argue that key to maintaining the employability of older workers are age-diverse training measures in these areas that meet the learning needs of older workers.

Qualitative research undertaken by Canning (2010) on the personal learning strategies and cultures of learning as part of a project on sustaining the employability of older workers in six organisations in the Scottish hospitality industry concluded that older workers were employable as they offered valuable skills in customer service, a good work ethic, personal commitment (Canning 2010) and had valuable local knowledge (Canning, 2010). The focus of the study was mainly on workers who retired (early) from their main career or in some cases continued to work in their organisation after retirement, taking on a different role and/or reduced hours, with the age of workers ranging from the early 50s to 87 (median age: 60). Another key conclusion of the study was that a different model of learning was more appropriate for older workers: one that capitalises on the existing knowledge and skills of older workers (rather than assuming a skills deficit) and sees learning as “having an exchange value” as older workers can contribute to the learning of (younger) colleagues on a formal or informal basis and often learn through supporting others (Canning, 2010: 677).

In an earlier study, van der Heijden (2002) researched the degree of employability among three age groups (20-34 years, 35-49 years and 50 plus) in eight Dutch private and public organisations, with a total of 559 employees (mainly male) and 454 supervisors participating in the study (response rates on average 50% in both cases), looking at it from a different angle. Employability was operationalised using eight items, asking employees to indicate the degree of likelihood of taking up another job in various contexts (e.g. the same, an equivalent or a higher job in the same unit, organisation or a different employer). The analysis, which focused on employees in higher level positions, showed a negative relationship between age and employability as defined above, confirming similar results of an earlier study among the 40 plus age group (Boerlijst, 1994). The author acknowledged that employees’ responses may take into account a number of aspects - not just their capabilities to move on to other areas, but also their willingness to change, organisational aspects, e.g. line manager’s perceptions of their abilities to change jobs, or external labour market conditions. Bearing this in mind, the key conclusion is that the 50 plus should focus on their ability to meet future job demands and to develop new skills and expertise required to take up new roles, particularly given a context where occupations and functions change at a faster pace than in the past, and that regular job changes may be valuable. Van der Heijden argues that if employees develop expertise in too narrow a field, they may not be employable in the long run, particularly when their job suddenly becomes obsolete. However, it is often the case that line managers do not focus on supporting employees’ development beyond their current job.

Participation in lifelong learning is central for individuals’ employability given the pace of technological change and the need to adapt to structural and/or organisational changes. It has been argued that both individual motivation and discriminating human resources practices can combine to result in lower participation rates of older workers in life-long learning. Canduela et al.’s (2012) analysis of the British labour force, using cross-sectional data of the last quarter of the 2007 Labour Force Survey, demonstrated that compared to ten years ago older male workers (aged 50-64 years) were still less likely to take part in training or have been offered training in the last three months, despite a relative increase in both participation rates and the number of workers having being offered training over the last decade. The survey did not find unequal access for older women, the authors attributed this to the employment of women in sectors where training is more formalised – notably public sector services (which, as outlined in section 6.1) are subject to expenditure cutbacks at the time of writing). However, Canduela et al. (2012) report that there seems to have been little change over time for unqualified employees and those working in low or unskilled work (elementary occupations). Their lower rates of participation in training and/or being offered training was seen as indicative of a polarised economy where skilled workers engage in
lifelong learning and lower qualified workers face the risk of their skills depreciating at a time when established career progression routes are diminishing. This highlights the heterogeneity in opportunities for developing employability amongst older workers.

Statistical data also show that currently older workers are disproportionately over-represented amongst the population and workforce with lower qualification levels. This situation is expected to change in future as younger generations have enjoyed better education opportunities; hence over time older people are more likely to have higher qualification levels. Building on the concepts of absolute and relative employability discussed in section 3.1, this might be expected to increase their absolute employability, while their relative employability may remain unchanged.

Reiterating the relevance of perceived employability outlined in section 4.5, there is also some evidence that an awareness of one’s own skills and competences is important in considering suitable job changes and/or to reflect upon one’s skills and personal achievements (see, for example, the Equal project in Sweden Finding What You Never Lost: Competence 50+ 52) and the South West Opportunities for Older People EQUAL Development Partnership targeting those aged 45 and over, as reported in Stevens, 2008).

9.2.2 Health and wellbeing

Much research has been undertaken on changing capabilities in the ageing process, which may impact on an individual’s ability to perform particular tasks and thus their work ability over the longer term if their capabilities are not brought in line with work demands. Frerichs (2007), cited in Ruf (2008: 14), summarised that during the ageing process abilities can equally decrease, stay the same or increase, with a decrease affecting abilities such as muscle power, eyesight, ability to react, ability to abstract and physical ability. Improvements pertain to abilities such as precision, reasoning, ability to judge, experience and responsibility, and no changes are observed with regard to attention span, ability to concentrate and long-term memory. Older workers can compensate for changes in some abilities through experience and strong motivation, and can nearly maintain their level of physical capacity through regular physical exercise during their mid-40s to mid-60s, but it is advised to decrease physical workload (by 20% to 25%) for these age groups (Ilmarinen, 2001). A literature review on the type of jobs and work performance, including three meta-analysis covering studies in the 1980s and 1990s, showed that both positive and negative relationships between age and job performance can be found (Bohlinger and van Loo, 2010).

Vandenberghe (2011) analyses the effect of both age and gender on the productivity-labour cost ratio as employment rates of (future) older women (aged 50-64) are set to rise relative to men due to relatively faster gradual increase in pensionable age and the rise in women’s participation rates over the generations. Contrary to the expectation of many that age and gender may be less relevant for productivity in service-based economies, his multivariate analysis suggests that, ceteris paribus, the productivity for older women declines if their share among the labour force increases by 10%, making them less employable as a result, whereas for men the effect is much smaller. Few, if any, explanations are offered for these results and further comparative research is needed.

9.3 Individual circumstances

Older women have also been found to be at a particular disadvantage in the labour market particularly in terms of the basis in which they join the labour market and their continued employment in the labour market (Bradley, 1996; Buchmann et al., 2010; Dex et al., 2008; Moore, 2009). Caring responsibilities, whether for grandchildren or elderly parents, tend to fall disproportionately on older women. Where gender and age intersect with race and socioeconomic status the complexity of older women’s participation in sustainable employment becomes more apparent. There are concerns that women who are unable to develop employability skills and

remain in sustainable employment will suffer in later life, with limited income (Smeaton and Vegeris, 2009). Research is currently underway in Australia, South Africa and the UK focusing on the dual impact of gender and age in the labour market (McMahon et al., 2010). The perspectives of older women are being analysed to determine how their participation and progression in the labour market can be better supported. The research recognises that women across the three nations are experiencing occupational segregation, gender pay gap and structural inequalities.

A key factor in determining women’s participation in the labour market in their educational attainment levels (Bimrose et al., 2003). Those women with medium and high level qualification were found to have better participation rates compared to those with no or low qualifications. Older women were evidenced to have low participation rates in the labour market in the UK. A range of factors were identified to help explain why some women exit the labour market early, including health, marital status, husband’s employment, household income and assets, the health of other household members and the need to care for adult relatives (Bimrose et al., 2003).

Research has shown that social networks play an important role in getting a job but little research has focused on age. A case study undertaken by Gayen et al. (2010) in Edinburgh studied, amongst other aspects, the importance of social networks in correctly predicting the actual employment status (employed or unemployed) of (male and female) people aged 50 plus and those aged less than 50, using multivariate statistical techniques. This study suggests that social networks play a role but that this differs between age cohorts: the more contacts an individual had with people in high prestige occupations and the denser these contact networks were (i.e. the higher the quality of social capital), the more likely it was that people aged 50 plus were in employment, whereas for those under 50 years the number of contacts were relevant (as were their qualifications). Further research on this topic is needed before firm conclusions can be drawn. However, there is also some (anecdotal) evidence, that a lack of contacts plays an important role among the 50 plus in finding a new job (see, for example, the Equal project in Sweden Finding What You Never Lost: Competence 50+53) or conversely that personal networks of older (Australian) workers (aged 45 to 70) were important in finding a job (Patrickson and Ranzijn, 2003). Lack of social capital and networks were also found to be significantly reduced in older entrepreneurs and needed to be developed during the early stages of business development (Kibler et al., 2011).

Entrepreneurship, self-employment, part-time and home-based work is a growing trend amongst older people as it is seen to deliver benefits to those in post-retirement meeting individual circumstances (Blanchflower et al., 2001; Kautonen, 2008; Kibler et al., 2011; Rogoff, 2007, 2008; Taylor, 2002). By examining the micro-econometric structure of preference and attainment of self-employment across 23 nations, Blanchflower et al. measured potential or latent entrepreneurship (2001). The analysis revealed that Poland has the highest international ranking of latent entrepreneurial spirit (as discussed in section 10.3) and that the probability of being self-employed increases with age. It is suggested that entrepreneurship or self-employment is chosen by those facing age discrimination, relocation or find available employment opportunities unappealing (due to long hours, travel requirements, low pay etc.) (Rogoff, 2008). However, qualitative interviews with 22 entrepreneurs aged 50 years and over living in greater London provided evidence of the

motivations, challenges and barriers to entrepreneurship (Kibler et al., 2011). Ageism and difficult accessing finances were seen as significant barriers to entrepreneurship. The research concluded that mature entrepreneurs in Britain would help address issues associated with ageing, such as changes to the welfare state, pensions and the need to work later in life.

Rogoff (2008) in his review of the literature summarised the main drivers of older people wanting to be entrepreneurs: following the dream; managing family and time constraints; having a limited role within the business; having flexibility over time; building equity value; being the boss; and accomplishing a social good. Other research has identified the absence of family obligations as enabling entrepreneurship or self-employment (Kautonen, 2008). In the US, entrepreneurship among older people is significantly high and found to a preferred form of employment (Rogoff, 2007, 2008). Similarly, in Finland, entrepreneurship is also a significant form of employment for those aged 50 years and over, and again a favoured form of employment (Kautonen, 2008). The survey also revealed no significant differences in the numbers of older female and male entrepreneurs (ibid). More recent research from Finland suggests that entrepreneurial activity is more acceptable and a major influence on entrepreneurial intentions (Kautonen et al., 2011). This qualitative study of perceptions concluded that entrepreneurship was an attractive late career option for those in later life (ibid). Quoting survey results from Thrivent Financial (2006), Rogoff (2007) suggests that many of those planning to work post-retirement would choose self-employment, business ownership or investment in a small business as part of entrepreneurship. Increasing opportunities for mature entrepreneurs has argued been the result of technology advancements and the internet, which has made business ownership more accessible and raised the professional status of ‘working from home’ (Rogoff, 2008). However, there is evidence to suggest that earnings of older entrepreneurs are lower than younger entrepreneurs (Braguinsky et al., 2012).

9.4 Labour market factors

9.4.1 Labour demand

The 2011 OECD Employment Outlook reports an increase in employment rates among older workers (55-64) by 6.8% between the fourth quarter in 2007 and the fourth quarter in 2010 (see also section 6.1). This compares favourably against a smaller reduction in the aggregate employment and a larger decrease amongst young people aged 15-24. Moreover, this contrasts with a sharp increase in early retirement among older workers that was observed in many countries in previous recessions. This may be explained by a strategic change in employer behaviour, placing more emphasis on retaining employees as much as possible through short-term work and other forms of flexible working, and changes regulations aimed at reducing early retirements (as highlighted in section 7.1).

In the past, there had been a supply of younger people employers could tap into, but their share among the workforce is falling, leading to projected skills shortages in some areas that older workers extending their working lives could help to fill. As reported earlier, older workers may still be seen as a ‘last resort’ rather than part of the solution. However, there is anecdotal evidence that some employers are beginning to realise that there is a need for retaining older workers, keeping them in good health and ensuring they are motivated at work, as illustrated by the quote below, although other may remain more sceptical:

“What do we have to do, knowing well that it will become increasingly difficult to get young engineers on the market? And if that is the case, I have to conclude that I’ll have to work together with those I have as long as possible. That means, I’ll have to keep them fit enough that they can continue working for a long time and do not have to quit earlier due to health impairments. That they still really enjoy working with us, are motivated, only this way I will get performance. In principle, this is in the firm’s own interest” (case study in a German high-tech company, reported in Alexandrowicz and Frerichs, 2011, p.97).
Due to a combination of demographic changes, good retention of the existing workforce and raising pension ages employers may see an increase in the share of their older workers, and this has led to some econometric research on its impact on productivity. Using private sector firm level data from Belgium (n > 9,000) that are linked with a set of employee data, Vandenberghe (2001) analysis the effect of both age and gender on the productivity-labour cost ratio as employment rates of (future) older women (aged 50-64) are set to rise due to their relatively higher gradual increase in pensionable age and the rise in women’s participation rates over the generations. Contrary to the expectation of many observers that age and gender may be less relevant for the productivity in service industries, his multivariate analysis suggests that the productivity for older women declines, if ceteris paribus, their share among the labour force increases by 10%, making them less employable as a result, whereas for men the effect is much smaller. Little, if any explanations are offered for these results that need to be compared with future research aiming to address some of the limitations of the data (e.g. lack of precise information about education levels).

9.4.2 Labour market inactivity and health-related disability

Drawing on an analysis of the European Labour Force Survey (LFS), Bell and McVicar (2010) reported that inactivity rates for those aged 50-64 reduced between 1992-2008 in most countries, while inflow into ill-health or disability retirements fell in some countries (including Finland where reforms introduced in the mid-1990s discouraged use of the disability route as an early retirement pathway) and increased in others. Inactivity on the grounds of ill-health varied from 2 to around 20% across countries, with the lowest figures found in the Czech Republic (men and women) and the highest in Poland (men) and Norway (women). The data also show that many countries with low overall inactivity rates had a relatively high share of ill health/disability among overall activity (with Scandinavian countries given as an example) and the other way round (giving Austria and Italy as an example).

Cross-section regression analysis of a data set linking the LFS with existing country-level data on aspects of the welfare system (e.g. public pension or unemployment insurance) suggests that reforms in welfare and pension systems have played a role in net inflows into inactivity. Looking at health-related disability, few variables were statistically significant (p<0.1), including sickness insurance duration for both men and women (with an increase in 10 weeks leading to a 1% reduction in net inflows) and pension replacement rate (suggesting that better pensions lead to lower inflows into health-related disability) (Bell and McVicar, 2010).

9.4.3 Employers’ practices and age management

In this sub-section age discrimination against older workers, the recruitment of older workers and employer strategies to help retain older workers are considered in turn.

Age discrimination in the labour market: Age discrimination may be the result of (direct or unconscious) stereotyping of older workers or specifically labour cost assessments restricting access to employment (e.g. due to wages exceeding productivity rates) or training and development opportunities (due to a perceived lower return on investment rate), which impacts on the individual’s employability over time. A number of studies have explored (direct and subtle) age discrimination of older workers (Billet et al., 2011a; 2011b; Loretto and White, 2006; OECD 2006) often before age discrimination legislation was implemented in many European countries. Statistical data, based on the fifth European Working Conditions Survey found that 5.4% of the 50 plus group in the EU27 reported some form of discrimination, including age discrimination, but that this percentage was reported to be higher among the youngest group (under 30s: 7.2%; European Foundation). A Special Eurobarometer on ‘Active Ageing’ indicated that workplace age

http://www.eurofound.europa.eu/surveys/smt/ewcs/ewcs2010_13_02.htm
discrimination was the most widespread form of age discrimination,\(^55\) with one in five respondents having personally experienced or witnessed it (TNS Opinion and Social, 2012). Research has also shown that positive attitudes of employers towards older workers or the existence of relevant equal opportunities policies do not necessarily translate into positive practices (Loretto and White, 2006, p. 344; Jorgenson, 2004, cited in Billet et al., 2011a; Smeaton et al., 2010, cited in Loretto, 2010). Billet et al. (2011b) cautioned against generalisations of age discrimination among older workers, based on their qualitative study in Australia covering largely people with a professional, para-professional and clerical background. In Canning’s study (2010) on the Scottish hospitality industry experiences of discrimination were only reported in passing by few older workers. As highlighted above, it was argued that the sector generally values older workers but that more research, particularly on women and ethnicities, is needed as statistical data on participation in formal training point to discrimination against women, particularly lower qualified female employees in part-time positions. A number of studies have contrasted the stereotypes against older workers with the actual evidence (e.g. HSE 2005 for the UK, Posthuma and Campion, 2009).

**Recruiting older workers:** Overall, research has focused more on the retention of older workers than on their recruitment (Loretto, 2010). Once older workers are out of employment they face difficulties re-entering the labour market and securing a good job in the core workforce (see e.g. research presented for Australia in Kossen and Pederson, 2008 (cited in Billet et al., 2011a), with both age discrimination and a self-belief that employers will not recruit anyone over 44 years thought to play a role (see research quoted by Billet et al., 2011a). Similarly, the study undertaken by Bagnali et al. (2006) found that although employers value the experience of older workers, the work ethic, the reliability and the independent work of older workers, employers are hesitant to employ them due to protection they enjoy when people need to be laid off, high wage costs and health issues, rather than to a lack of qualifications and skills, mirroring Billet and colleagues’ (2011a) reference to older workers as a ‘last resort’. Statistical data for 2006 indicates that in the EU 27 17.2% of those aged 50-69 who had worked at least until the age of 50 gave job-related problems or jobs loss as the main reason for early retirement (Eurostat 2006,\(^56\) cited in Eurostat 2012). Furthermore, research based on a Swedish field experiment on the first stage of the recruitment of restaurant workers and sales assistants found that a fictitious male 46-year-old received significantly fewer invitations to attend a job interview or job offers than a fictitious male 31-year-old (Ahmed et al., 2012).\(^57\)

**Retention of older workers:** Over the last 20 years a large number of good practice case studies have been researched, documenting company initiatives that have helped to recruit and retain older workers, more recently even beyond the traditional retirement age.\(^58\) Examples include (longitudinal) case studies published by Eurofound,\(^59\) most recently on age management in the recession covering nine countries,\(^60\) in Cedefop publications (e.g. Cedefop 2010) or case studies conducted as part of other European projects and published elsewhere (see for example Frerichs et al., forthcoming). Companies may have been proactive (designing solutions to meet future challenges) or, more likely, reactive (aiming to address a particular problem). They may have introduced initiatives focusing on a particular dimension (e.g. education and training or health.

\(^55\) Other types of discrimination covered included education/ training, health care, financial products/ services and leisure.

\(^56\) Eurostat (online data code: lfsa_06reasstaf)

\(^57\) The applications were matched as closely as possible, with the 15 year age difference being accounted for in the form of previous employment in the Swedish armed forces, and submitted electronically.

\(^58\) A new Eurofound report explores work post retirement drawing on a literature review, survey data and case studies in labour organisations in seven countries (Dubois and Anderson, 2012 in press). In particular it focuses on characterising the work retirees engage in and how companies facilitate working past retirement. At the time of writing, the final version of the report was in final preparation.

\(^59\) [http://www.eurofound.europa.eu/areas/populationandsociety/ageingworkforce.htm](http://www.eurofound.europa.eu/areas/populationandsociety/ageingworkforce.htm)

\(^60\) [http://www.eurofound.europa.eu/publications/htmlfiles/ef1175.htm](http://www.eurofound.europa.eu/publications/htmlfiles/ef1175.htm)
promotion) or they may have adopted a more holistic approach over time aiming to improve the employability of the wider workforce.

Some good practice examples from the literature have been selected here to illustrate how employer practices can facilitate the retention of older workers or enhance their employability and what has been driving it.

1. An example of an industry driven up-grading of skills among older workers is provided in Holmer et al. (2010). The combination of new production technologies in the Swedish forestry industry in the late 1990s, the intake of low-skilled workers in years gone by and the ageing of the workforce due to low labour turnover led to a situation where (older) machine operators were no longer optimally skilled, and in fact lacked key competences. A large-scale industry training programme was offered, a key element being employer-led local learning centres which provided computer supported learning and teaching, a tutor and a contact person, but most older workers were reported to have found a way of learning the traditional way. Motivating older workers with low levels of formal education was reported to be difficult but those who succeeded were either motivated due to personal reasons or wanted to improve their labour market opportunities. The report stated that the programme had achieved positive outcomes (more confident and self-reliant workers with better theoretical knowledge, greater motivation to succeed with their tasks and, for some, an appetite to continue to engage in education) and these, it can be argued, are likely to enhance the employability of older workers.

2. As part of the introduction of a ‘productive ageing programme’ in 1997 the large manufacturer of chemicals in Austria introduced a number of measures designed to keep older employees working for longer, including the introduction of a different shift model, ergonomic and health promotion measures. Although the new shift model was reported to be beneficial for older workers (including e.g. improvements in the general ability to work), an early evaluation at the time did not show a reduction in intentions to take early retirements (and it is not known whether this has changed over time). When the recession hit the company in 2009 it needed to reduce its workforce and could do so largely by natural attrition, including through a variety of retirement schemes (e.g. early, partial and statutory retirement). The company wants to continue to offer partial retirement schemes but is also keen to offer older workers the opportunity to work past statutory retirement if they wish to do so. More recently, particular emphasis has been placed on skills development through individual training budgets and a technical trainer in each department, partly also to facilitate knowledge transfer to younger people when an older worker retires (Eurofound, 2012).

3. Against a background of difficult economic conditions and continued workforce reductions a Dutch telecommunications company adopted early retirement strategies. When it recognised that the strategy was both expensive (as the government tightened eligibility criteria) and unproductive (as valuable expertise was lost) the focus shifted to improving external and, as far as possible, internal mobility across age groups. A little later on emphasis was placed on improving employability and employment conditions in general in order to be able to face the strong competition for qualified staff the company expects in future (Punte et al., 2011).

9.5 Enabling factors

As the research has shown various social and structural factors can negatively impact on older individuals’ ability to participate in and navigate the labour market, such as loss of confidence, vulnerability to redundancy, forced early retirement, minimum wages and dated skills (European Foundation for the Improvement of Living and Working Conditions, 2009; Mayhew et al., 2008; Roberts, 1997; Weller, 2007). Older female workers are also at a particular disadvantage in terms of wages and mobility (Dex et al., 2008). The implementation of effective age management strategies across the labour market is needed across many countries to ensure all individuals are
utilised in the economy. This section focuses on the role of careers guidance services and employer practices that enable the employability of older workers.

Careers guidance support has an important role in supporting older workers in gaining and sustaining employment. There has been much research on career guidance and counselling for older workers (Bimrose and Brown, 2010; Brewington and Nassar, 2000; Brown et al., 2012; McMahon et al., 2010; Mitton and Hull, 2006), but a comprehensive understanding of the formal career support required is still lacking (Ford, 2005). Career guidance support for older workers need to focus on supporting them to: overcome social barriers (such as loss of confidence and possible prejudices); assess their skills; find learning activities to address skills needs; and to identify a career focus and how they can participate in the economy. Importantly, support also needs to enable individuals to develop the skills to successfully participate in and navigate the labour market in order to gain sustainable employment. Developing career adaptabilities and participating in work-related learning are also seen as key to supporting older workers and those in mid-career transitions (Bimrose and Brown, 2010; Brown et al., 2012).

Drawing on Finnish findings during the 1990s, Ilmarinen found that single measures, such as training of supervisors in age management, implementation of age-related ergonomics, exercise programmes at work and tailored training in new technology, positively impacts on work ability but stresses that better results can be achieved when integrating several measures (Ilmarinen, 2001).

Drawing on interviews with older workers, a number of studies have argued that it is important to offer suitable age-diverse training measures that allow older workers to maximise their learning (e.g. Bagnali et al., 2006; Canning, 2011). This appears to be supported by a multivariate analysis drawing on the German WeLL dataset, a large scale but non representative dataset on continuing training as part of lifelong learning (Zwick, 2011). The author concludes that for older workers (here defined as those born between 1952 and 1961) on the job training and informal training is more effective compared to seminars and formal training.

Some large companies that heavily rely on internal labour markets have human resources policies in place that stimulate job rotation and the development of employability of employees from an early stage of an individual's career and support this through relevant training programmes (e.g. OWASE in the Netherlands, see Eurofound, 2003 (European Foundation for the Improvement of Living and Working Conditions)) and it might be expected that this would positively impact on the employability of older workers provided that the job changes take into account employees’ preferences to maintain motivation and job satisfaction.

Using the German linked employer-employee dataset for the years 1997-2005, Göbel and Zwick (2010) have analysed the impact of specific human resources measures for older workers (aged 50 plus) on their relative productivity, comparing age-specific productivity rates (five-year groups) in organisations that have established at least one of five human resources measurers (50%) and those that have not (50%), focusing on private organisations only. The results show that specific equipment for workplaces for older workers, age-specific jobs and mixed age teams increase the older person's relative productivity (with mixed age teams even having a positive impact on the younger group), while no significant difference was found for reduced working hours and specific training for older employees. However, the authors argue that the negative result for reduced working hours can be explained by the fact that most people in Germany who chose gradual retirement (Altersteilzeit) de facto do not work part-time, but instead opt for a ‘cliff-edge’ model, working full-time ‘on block’ during the first part of the six- year period and then retiring during the second part. As for the training measures for older workers, it is argued that the measures may not be discriminatory enough as research has shown that there may be qualitative differences in the training older workers receive and that not all older workers are keen on participating in training that is offered. In fact some survey evidence suggests that the provision of training has a positive effect on extending working lives (see evidence presented in Loretto, 2010, p.286).

Linking data on employment rates of older workers from Eurostat and indicators from the fifth European Working Conditions Survey on the working population Villosio et al. (2008) found that for
the 45-54 year olds (who may start thinking about retirement plans) there was a positive correlation between employment rate and training, autonomy at work, and high performance work organisations and a negative relationship with exposure to physical risks. The strengths of these correlations varied between men and women in this age-group, with e.g. a stronger correlation between learning and training and employment rate found for women rather than men. For the 55 plus age group training and high performance work organisations was found to be strongest related to employment rates.

Kriegesmann et al. (2005) have argued that sustainable employability requires both individuals to be responsible for managing their own health and to actively seek to adjust their work-life-balance in line with their resources and employers to actively engage in health promotion at company level. They argue that health is the basis for maintaining and enhancing employability, i.e. acquiring the skills and competences through lifelong learning that enable a person to adapt to new jobs or tasks, particularly in the context of longer working lives.

9.6 Overview

Population ageing has led to changes in policies and regulations designed to increase the employment rate of older people and to promote their active involvement in (civic) society so as to engender ‘active ageing’.

The employability of older people is influenced by a number of factors, including health as the basis of people’s work ability, their skills and competences (in particular the need for up-dating skills but also adaptability and flexibility), their motivation and both work-based factors and non-work-based factors. Age management and human resources strategies can help to tackle, personal circumstances (e.g. caring for older relatives or grandchildren) and labour market policies and regulations. There have been more calls for creating an age-adjusted working environment given the projected increase of older people in employment. A systematic literature review of the work ability concept has shown that much work has focused on individual and work-related factors, while studies on the impact of competences, values, attitudes and motivation on the WAI, as well as those on organisational context and social and economic policies on the WAI, did not feature in these studies.

Much research has focused on maintaining older people in work and less on transitions from labour market inactivity (as a result of redundancies or time out of the labour market for caring) into paid work. It is this transition where older people are particularly vulnerable due to a number of factors, including age discrimination, loss of self-confidence in finding a job, loss of social capital or relatively higher wage costs compared to younger people.

Research has shown that lower-qualified older workers have less access to and do participate less in training and are thus more vulnerable in a society where lifelong learning is key to the individual’s employability.
10. MIGRANTS

This chapter outlines issues relating to the employability of migrants. It outlines different definitions of migrants, and also the key features of debates on the employability of migrants (section 10.1). It goes on to consider the individual characteristics and circumstances of migrants, emphasising their overall heterogeneity and also differences and similarities in expectations regarding paid work, which may vary by gender, between different sub-groups of migrants (sections 10.2 and 10.3). The way in which circumstances in the external labour market impinge on migrants in outlined in section 10.4, and here the extent to which migrants are characterised by overall advantage / disadvantage is outlined, regulatory factors are considered, and the role of employers’ recruitment and selection practices and workplace cultures in shaping the employment experience of migrants is discussed. Refugees and family followers are also considered alongside migrants throughout this chapter. The focus then shifts to the role of policy and stakeholders in advancing the employability of migrants (section 10.5). The final section provides an overview (section 10.6). It should be noted that the evidence available tends to be patchy; in part, this reflects the diversity of migrants’ experience.

10.1 Introduction

Nearly everyone is a migrant of some kind during their life course, but the terms ‘migrant’ and ‘migration’ tend to be used to refer to specific types of migrant or migration stream which is of particular political or policy interest. The main focus of this report is on migrants who move internationally in response to labour market differentials, but this category is not homogeneous. The promotion of labour mobility within the EU is fundamental to the creation of a single market, being the concomitant of the mobility of capital. The free movement of labour was guaranteed to EU nationals by the Treaty of Rome (the scope of which was later extended to EU citizens). However, from the late 1940s until the early 1970s, the labour needs of individual Member States were met by migration from outside the EU (either from former colonies or neighbouring countries), which resulted in populations of non-European origin and migration flows from outside Europe becoming established.

The number of international migrants has steadily increased in recent decades (from 75 million in 1965 to 214 million in 2010 (Straw and Glennie, 2012)). In Europe, there has been growing labour demand but slow growth of economically active populations and the number of migrants to the EU has steadily grown (Eurostat, 2011). Migration policy at the European and national levels has increasingly tried to balance the promotion of international migration by European citizens with the control of migration from outside the EU – “the ‘management of contradiction’, in which policy and practice seek to strike a balance between concern over national resources, which tends to limit entry, and continuing employer demand and the assertion of human rights, which potentially expand entry’ (Morris, 2002: 410).

At a time of growing economic crisis and rising popular concern about immigration, the thrust of recent EU policy on migration (as represented by the European Pact on Immigration and Asylum agreed by the EU Council in 2008) is to restrict labour migration from outside the EU to skilled workers and to curb irregular migration but to promote the integration of migrants within receiving countries. Migration procedures were to be simplified with migrants being given clear employment rights and the creation of an EU long-term residence permit for non-EU migrants legally resident for at least 5 years. This would provide migrants with the same treatment and rights as nationals.

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61 Reference is made also to refugees and other non-economically motivated migrants.
in terms of access to employment, education and vocational training, social protection and assistance and access to goods and services.

Therefore, a key dimension of international migrants in the EU is their legal status: whether they are EU nationals moving between EU Member States, ‘third country’ migrants from beyond the EU, and a further distinction among the latter between legitimate and irregular migrants. There is a hierarchy of employment rights associated with these distinctions with intra-EU migrants facing the fewest barriers to employment and irregular third country migrants experiencing exclusion from the labour market; (hence the latter may be conceptualised as being at greater ‘risk’ in employability and labour market terms than the latter. Ruhs and Anderson (2006) comment that the situation can be more fluid, with migrants moving between compliance, semi-compliance, and non-compliance with immigration legislation in order to enhance their employability as their personal circumstances, the economy, and the regulatory framework changes.

In general discourse, the term ‘migrant’ can be used to refer to a person who is of a nationality and/or country of birth different from the country in they reside, while in some countries ‘ethnicity’ is also bound up with debates on migrants and employment. Nationality can be a key factor in determining access to the labour market (as highlighted above). Furthermore, sometimes the term ‘migrant’ is used to refer to ‘recent arrivals’. The latter may face particular issues in accessing the labour market because of their lack of knowledge about the workings of the labour market in their destination country (Green, 2007).

Key issues relating to the employability of migrants evidenced by the literature which are covered in this chapter, include:

- Migration policy (free movement and managed migration);
- Cultural distance between the origin and host society – the greater the cultural distance, the more challenging is the task of finding gainful employment, holding all other factors constant);
- Language skills (whether the migrant has sufficient functional language skills to survive and prosper in the host country);
- (Non)recognition of foreign qualifications and experience (this may mean that migrants cannot find employment commensurate with their qualifications);
- Under-employment – there are concerns that migrants are disproportionately concentrated in jobs below their educational achievements (Anderson et al., 2006);
- Time in the host society and knowledge of cultural norms and knowledge of navigating the labour market;
- Labour market segmentation – i.e. the concentration of migrants in particular sectors / occupations / ‘ethnic enclaves’;
- Ethnic / religious / other discrimination;
- The extent to which policy should be focused specifically on migrants vis-à-vis the wider population.

Employability is fundamental to successful (labour) migration, because of the importance of employment as a source of income and because it facilitates movement between jobs (both within and between organizations) (Williams, 2009). The relationships between migration and employability are extremely complex, being affected by the political and institutional context, the nature of labour demand, the composition of migration and the historical trends in all these factors. In the sections that follow, key issues and debates relating to the employability of migrants are reviewed and evidence from the literature is presented.

### 10.2 Individual factors

A range of individual factors are potentially relevant to the employability of migrants. In common with non-migrants, relevant work experience, knowledge of job opportunities and qualifications are
important influences on the ability to find work, the type of work undertaken and the ability to
maintain employment in the country of destination. In addition, the demographic factors discussed
in previous chapters will also influence the employability of individual migrants.

Employability is also influenced by the degree of difference between migrant workers and nationals
of the country of destination. One aspect of difference already considered is ethnic origin, where
employability is limited by barriers erected to employment through direct and indirect
discrimination and ‘institutional racism’ towards visibly different ethnic groups. In the UK,
Dustmann and Fabbri (2005) compared British-born individuals with immigrants of the same age,
education and geographical distribution, finding that the employment probability for white
immigrants was similar, but those from minority ethnic groups had lower employment probabilities
(being lowest for Black African, Bangladeshi, Pakistani and Black Caribbean people).

Closely related is the question of language skills. The EU’s fourth Common Basic Principle (CBP) on
integration states that “basic knowledge of the host society’s language, history, and institutions is
indispensable to integration; enabling immigrants to acquire this basic knowledge is essential to
successful integration”. The reasons for this are numerous: job search is restricted by lack of
knowledge of the labour market, employers may only offer less skilled jobs to those with poorer
language skills and such individuals will have a limited range of job opportunities to choose
between. (Kluzer et al., 2011) note that the acquisition of native language is a crucial factor for
integration, but also point out that language proficiency alone is not sufficient for integration and
that integration does not necessarily imply full linguistic competence.

10.2.1 Skills, qualifications and employability

A recent study (OECD, 2008) found that the average level of qualifications for immigrants was
typically higher than that of the populations of destination countries (24% of migrants had tertiary
education compared to an average of 19% for the native born). Though high levels of qualification
should result in greater employability, a common finding is that migrant workers often do not find
work commensurate with their level of qualifications. Dustmann and Preston (2012) note that
immigrants in the UK and US tend to compete with native workers for jobs, which are not
commensurate with their skill levels.

Migrants from the East European accession (A8) countries to the UK tend to be valued by
employers and preferred to native British workers because they are perceived to have a number of
positive attributes relevant to work, including: reliability, a willingness to work hard, and a positive
attitude towards work. In addition, many Polish workers had high educational qualifications (Home
Office and DWP, 2007). Eastern European recent migrant workers in both the West Midlands (Green
et al., 2007) and South East (Green et al., 2008) have been found to be relatively well qualified, but
mainly working in jobs not commensurate with their qualifications. In a study of migrant
employment in Italy, Mancinelli et al. (2010) found that a high level of education increases the
probability of being employed for migrants more than belonging to ethnic networks deeply rooted
in Italy. They speculated that high educational levels were used as a way of signalling their high
productivity to employers, and that this would counteract the prejudice of employers towards
migrants.

The recognition of the skills of migrant workers is a major challenge, because education and
training systems and qualifications frameworks differ greatly between countries. Because of this,
European Qualifications Framework, the aim of which is to act as a translation device and neutral
reference point for the comparison of qualifications obtained in different countries.
The Immigrant Citizens Survey, carried out in 15 cities\textsuperscript{64} in seven EU countries,\textsuperscript{65} drawing together information on 300-400 completed interviews with first generation immigrants who are (or were) non-EU citizens holding legal immigration status and residing in the country for more than one year, found that 25-33\% of immigrants felt over-qualified for their jobs (Huddleston and Dag Tjarden, 2012). The proportion of immigrants who felt that they were over-qualified for their current positions was greatest in Italian cities and lowest in the German cities. In most cities included in the survey only one in four or one in three immigrants with formal qualifications from their country of origin or a third country applied for formal recognition of their qualifications. However, of those who applied for recognition of their qualifications 70\% succeeded in getting their qualification fully or partially recognised.

ECRE (2007) point out that asylum seekers and refugees experience greater obstacles than migrants, who can prepare for the recognition process in the country they choose to live and work, while refugees often leave in a hurry and are not always able to bring all their diplomas and certificates with them and/or cannot access the institutions in their host countries that issued their documents. In a survey of 400 refugees in the UK, Bloch (2008) found that a minority were in work. Most of those found work in lower status jobs with little opportunity for progression. The survey found that those refugees with high levels of skills in work were not in jobs commensurate with their skills and qualifications.

10.2.2 Labour market conditions and migrant employability

Fleischmann and Dronkers (2010) found that unemployment rates for immigrants are lower in countries where low-status jobs are relatively common, where immigration rates are higher and where GDP per capita is higher, and that unemployment rates for immigrants are higher where the native unemployment rate is relatively high. Immigrants from more politically stable and free, more developed and more wealthy societies are found to be less often unemployed, but those with origins in Islamic countries have higher rates of unemployment.

10.2.3 Language skills and employability

The ability to read and write and understand the language of the destination country is extremely important for migrants seeking employment. In the UK, Dustmann and Fabbri (2003) found that language proficiency is poorest among the most disadvantaged migrant groups. Bloch (2008) found that English language fluency and training to be an important determinant of the chances of employment for refugees, and is an essential component of integrated employability programmes (Phillimore et al., 2007).

Carlson and McHenry (2006) found an interaction between language ability and employability: human resource specialists were found to give individuals with highly noticeable accents (associated with a minority ethnic group) or dialects a lower employability rating. In the UK, Shields and Wheatley-Price (2002) found that fluency in English increased the average hourly occupational wage by approximately 20\%.

In the UK, non-native-speaker teachers of English are often perceived as having a lower status than their native-speaking counterparts, and have been shown to face discriminatory attitudes when applying for teaching jobs. Clark and Paran (2007) studied recruitment to English language teaching institutions in the UK, finding that being a ‘native English speaker’ was either moderately or very important to three-quarters of employers. In Sweden, Delander et al. (2005) found that a pilot scheme which aimed to assist unemployed immigrants with weak Swedish-language skills resulted in the transfer to employment, training and education being speeded up. Valentin Kvist (2011) examined the use of test scores by psychologists in the decision to grant vocational education in Swedish employment offices, comparing immigrant and native applicants. It was

\textsuperscript{64} The rationale for adopting a city focus is that integration is a ‘local’ process.

\textsuperscript{65} Belgium, France, Germany, Spain, Italy, Hungary and Portugal.
found that while allowances are made for cultural bias, problem-solving abilities of immigrants were under-estimated.

ICTs are increasingly being used to enhance the language and cultural skills of migrants, refugees and their families (see for example Collin and Karsenti, 2012; Fraga et al., 2011; Pearson, 2011; Redecker et al., 2010; Webb, 2006; and discussed in accompanying Report 2 [de Hoyos et al., 2012]). A qualitative study of seven ICT learning centres in England explored the experiences and perceptions of adults from ethnic minority backgrounds learning ‘English for speakers of other languages’ courses. The research found that socially excluded learners still experience some inequalities in accessing learning through technology, but that this form of learning promotes social inclusion as it provides a social space for learning (Webb, 2006). A recent evaluation of a ten week programme using mobile phones to teach language learning with a Bangladeshi community in Greater London also had similar results. The study explored changes in language skills confidence and the contribution of this technology to digital and social inclusion (Pearson, 2011). Results showed that ICT confidence, access to employment, education and public services improved over the ten week period. It was also noted that those not on an ESOL (English for Speakers of Other Languages) course had enrolled on a course after the programme. Therefore, enhancing social and digital inclusion and supporting the development of employability skills. A literature review of evidence from North America and Europe on the potential of ICTs in linguistic integration of immigrants explored recent developments in online linguistic integration tools (Collin and Karsenti, 2012). The review highlighted the growing potential of ICTs noting the variety of technology (including websites, platforms, portals, and pedagogies adopted. However, the evidence highlighted some of the limitations for social integration due to the lack of social integration.

10.3 Individual, family and community circumstances

Williams (2009) notes that ‘trailing migrants’ (e.g. spouses, children or elderly relatives) often have much lower employability than lead migrants, frequently because immigration regulations restrict the employment rights of accompanying migrants. Moreover, the accompanying migrant may not have the requisite work experience, qualifications or language skills to find work in the destination country. An Equal Opportunities Commission report on the barriers to labour market participation faced by Bangladeshi, Pakistani and Black Caribbean women in Great Britain found that these were greater for first-generation than UK-born women, because the influence of cultural difference (e.g. the expectation that married women do not work outside the home) between Pakistan and Great Britain was greater for them (EOC, 2007, 23). These factors did not apply for Black-Caribbean women, who display the strongest attachment to the labour market of women from any minority ethnic group.

Social networks can promote employability through providing information to workers about employment opportunities and the attributes that mainstream employers are seeking in workers. They also facilitate the supply of labour to employers in the migrant community who are seeking workers of the same origin (Atfield et al., 2011).

In the UK, Patacchini and Zenou (2012) found that the higher the percentage of employed workers from the same ethnic group living nearby, the higher the probability of finding a job through social contacts for a person from a minority ethnic group. This effect is strongest within the area covered by a 20 minute drive from the individual’s home. They found that the effect was strongest for the Chinese and Pakistani ethnic groups. Vershinina et al. (2011) found that Polish entrepreneurs who had arrived in the UK following EU expansion in 2004 drew upon social networks of Poles in the UK to develop a market niche obtain capital and establish their businesses (in contrast to Polish entrepreneurs who arrived in the immediate post-World War II years).

However, there is some evidence that social networks can also have a negative influence on employability, where reliance on a network of people of a similar ethnic or national origin reinforces an individual’s distance from mainstream employment opportunities. In Canada, Arcand and Helly (2009) found that the presence of a “community of origin” for international migrants cannot
guarantee access to a viable social network providing access to information and jobs. In Sweden, Behtoui and Neergaard (2010) argue that ‘stigmatised’ immigrant workers are embedded in social networks that constrain their ability to acquire valuable social resources or are excluded from social networks with valuable resources, which accounts for their low earnings relative to native workers.

In a study of Turks in Berlin, Danzer (2011) found that the benefits of integration for immigrants were experienced only for higher-income households, while the economic returns generated from membership in a local ethnic network were much greater for the poorest households. He contends that integration is “too costly” for lower income households, who tend to increase their economic success by staying in local networks.

Mahuteau and Junankar (2008) examined the role which ethnic networks play in job search for new migrants to Australia and the quality of jobs they find in the first years of settlement, within the context of a new immigration policy which aimed to select ‘higher quality’ migrants. One part of this was to make migrants only eligible for benefits after two years. They suggest that this increased the imperative for migrants to obtain any job, using ethnic networks, which meant that the initial job obtained was not commensurate with their qualifications. This illustrates how migration policy may shape the type or quality of jobs that migrants seek.

Partly connected to the issue of social networks, it is salient to note that statistics from several EU member states indicate that proportionately more migrants and members of ethnic minorities than nationals start small businesses. For some individuals the decision to start a business is a positive one, whereas in other instances it might represent a reaction to difficulty finding employment as an employee (Baycan and Nijkamp, 2009; Blackburn and Ram, 2006; Kloosterman and Rath, 2001). Migrants and individuals from ethnic minorities face several difficulties common to other entrepreneurs, although access to finance and to support services, language barriers, limited business, management and marketing skills, and over-concentration in low entry threshold activities where the scope for breakouts or diversification into mainstream markets may be limited may be particular challenges for migrants. Initiatives to help ethnic minority entrepreneurs, often provided by public authorities or NGOs, have an uneven spread across Europe (Troidos Facet, 2008). Often studies of migrant/ethnic entrepreneurship have concentrated on the contribution of the highly qualified (Saxenian, 2003). The potential of ethnic entrepreneurship for employability and migrant integration tends to have been overlooked to date, yet has considerable potential to create jobs – both for migrants/ethnic minorities themselves and for others, as well as contributing different forms of social capital which may open up other employment opportunities. More generally, beyond the employment domain ethnic entrepreneurship can contribute to growth via the provision of new goods and services and by adding vitality to specific neighbourhoods and cities where they are concentrated (Rath, Eurofound, 2011; see also Syrett and Sepulveda, 2010, for a broad discussion of how diversity can contribute to economic development).

### 10.4 Labour market factors

As noted in section 9.1, migration and employment policies are increasingly skill- and sector-specific, privileging highly skilled migrants (McLaughlan and Salt, 2002), the consequence of which is that the demands of employers for less skilled workers have been met by irregular migrants, refugees or asylum seekers.

Anderson (2010) contends that immigration controls help to form types of labour with particular relations to employers and the labour market. In particular, the construction of institutionalised uncertainty, together with less formalised migratory processes, help produce ‘precarious workers’ over whom employers and labour users have particular mechanisms of control. Irregular migrants are at greater risk of exploitation by employers because of their fear of detection and removal by the immigration authorities, and some employers are attracted to the potential for exploitation of such migrants (Tilly, 2011). However, it is not just irregular migrants who are at risk of suffering

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sub-optimal working conditions. The Immigrant Citizens Survey found that temporary contracts were the major problem facing immigrant job seekers in most of the cities covered. Related issues highlighted by the survey included that in between 21% and 48% of cases in southern European cities it was reported that employers offered no legal contract, while across all cities between 29% and 44% of survey respondents reported that they perceived that employers discriminated against them (Huddleston and Dag Tjaden, 2012).

Numerous studies have identified the existence of an ‘ethnic penalty’ in employment for minority ethnic groups (notably Heath and Cheung, 2006; Li and Heath, 2008) and have generally interpreted it as representing the effect of discrimination in the labour market. It has often been suspected that one mechanism by which discrimination against migrants and ethnic minorities operates is that employers screen job applicants on the basis of their name and avoid interviewing those with foreign names. This has been tested by the Department for Work and Pensions in the UK, who sent out identical CVs with different names and found net discrimination in favour of ‘white’ relative to ethnic minority names of 29% (Wood et al., 2009). McGinnity and Lunn (2011) conducted a similar exercise in the Greater Dublin area of Ireland, finding that candidates with Irish names were over twice as likely to be called to interview as were candidates with African, Asian or German names. Both studies found little difference between ethnic groups in the degree of employer discrimination.

10.5 Enabling factors

Promoting employability has been seen as a response to the increasing emphasis placed upon flexibility and mobility in employment and geographical location as a way of increasing European competitiveness. One response to increasing insecurity of employment has been the Danish concept of flexicurity, in which displaced workers have a ‘safety net’ of financial support. Since future competitive advantage is seen as dependent on the ability to ensure high labour mobility, Andersen et al. (2012) propose the ‘mobication’ model in which skills are systematically used to promote mobility within and between labour markets. Security for the worker primarily comes from the individual employee having access to further training and/or re-skilling in all stages of working life.

However, another reason why the most socially excluded sections of the population (including migrants) find it hard to access jobs is because they experience difficulty in accessing information about job opportunities or in making use of the services provided by the state and other labour market actors which facilitate access to the labour market. One solution to this problem is to provide such services via outreach to excluded communities. Campbell (2000) argued that local provision of vacancy and job-brokering services, which took into account their concerns, were essential to increase the participation of the most socially excluded. Most of those addressed by outreach activities would be categorised as being “hard to help” or “hard to reach” with little engagement with mainstream services. Dewson et al. (2006) review the use of outreach activities by the UK Department for Work and Pensions. Such initiatives have included the provision of specialist information and advice, adjusting service delivery to their needs and integrating the activities of different agencies. In the UK, ethnic minorities, asylum-seekers, refugees and the more excluded or vulnerable migrant groups have been the target of outreach activities. Cliff (2000) describes an outreach programme where the target customers were refugees, asylum seekers and migrants in a particular area of London, where the aim was to improve their employability skills and to help them find work. This programme assisted people with little contact with mainstream services because they were not necessarily entitled to benefits. It provided advice and help in improving employability (e.g. on re-qualification and retraining for local refugee doctors and nurses), provided English courses, careers advice, and help with CV’s and application forms.

As noted above, immigrant’s employment prospects are dependent both on their qualifications and work skills and their ability in the language of the destination country. Many governments are anxious to expand work-focused language training, because basic language courses tend not to impart the skills relevant to the needs of the workplace. McHugh and Challinor (2011) suggest that
the most effective are: those which provide language instruction contextualised for the workplace; those which provide this alongside formal skills training; and encourage workplace-based instruction. The importance of taking the needs of non-traditional students into account is emphasised.

10.6 Overview

The concept of employability is intrinsic to the act of international migration. Williams (2009) comments that international migration can be seen as one way in which individuals respond to employability issues; for example because there are better opportunities for securing employment in other countries, because moving between countries is expected in the type of job a person is engaged (e.g. Favell, 2008) or because migration is directed by an employer (e.g. for ‘posted workers’). There is a fundamental distinction in employability depending on whether labour migration is realized via intra-company mobility versus ‘free agent movers’ (Arthur and Rousseau, 1996; Williams, 2006). Migrants moving within companies have guaranteed jobs, and hence employability for them is a qualitative issue of how this international experience influences their long-term employability (McCall, 1997).

The mobility of international free agent movers’ must be understood in terms of their employability in their countries of origin, and prospects of securing employment in the country of destination. At one extreme of the continuum lie those for which international migration is an extension of migration within their home country, determined by the nature of a job vacancy and their ability to be selected to fill it, and cultural barriers to migration are minimal (i.e. migrants with skills in a number of European languages seeking work in organisations which function in a similar way in different countries). At the other extreme lie those for whom international migration is a response to lack of employment opportunities in their origin country and who migrate without knowledge of the language or work skills required in the destination country. The latter are most at risk of unemployment or working in the shadow economy in low skilled jobs, and hence most vulnerable to exploitation by employers.
11. CONCLUSIONS AND REVISED FRAMEWORK

11.1 Overview of key features of the concept of and debates on employability

‘Employability’ as a concept is dynamic, evolving over time to become broader encompassing more aspects of individual characteristics and qualities, together with contextual factors. It is increasingly important to understand employability as it is at the forefront of policy and theoretical debates at a local, regional, national and international level.

Although there is no agreed definition of ‘employability’, it is generally conceptualised in terms of the ‘quality of character of being employable’ and as ‘gaining, sustaining and progressing in employment’. The latter definition is the one adopted for this report. There are significant debates surrounding subjective and objective employability, absolute and relative employability, plus who has, and should have, responsibility for employability. In the current labour market context, there is an increasing shift to individual responsibility not only for employability, but also career development and management. However, employers have an important role to play in enhancing the employability of employees and will benefit from doing so, and so in turn will the state.

A range of frameworks for operationalising, analysing and assessing employability have been presented in the literature. A broad employability framework, including individual characteristics and personal circumstances with external labour market factors seemed to be the most acceptable and useful framework to adopt as an organising schema for this report, albeit there is some danger that a broad framework might be perceived as a ‘shopping list’, in which links between different aspects of employability might be downplayed. The broad framework considered issues such as motivation, self-efficacy and the skills needed to manage and navigate a changing labour market in order to gain and sustain meaningful employment. The inclusion of external labour market factors addressed concerns regarding the shortcomings of the person-centred approach and the need to take much broader contextual factors into account, in order to achieve a more holistic understanding of employability. However, reflecting on the findings from this review of the literature on employability, in this final chapter a revised framework is presented for use in the next stage of the project, focusing on the role of ICT in employability (de Hoyos et al., 2012).

11.2 Similarities and differences in debates on employability relating to young people, older people and migrants

One important key similarity to note between young people, older workers/people and migrants are that all are heterogeneous groups. They differ both in terms of their individual characteristics, household circumstances and access to resources. This means that general statements pertaining to each group do not necessarily hold for all members of that group. Hence, the notion of relative employability is important because some young people/older people/migrants will be more employable than others.

As noted above, employability is about ‘gaining, sustaining and progressing in employment’. Debates relating to young people are focused primarily on gaining employment. This is especially so in prevailing circumstances of economic crisis and fragile growth, in which young people have proved particularly vulnerable. However, with the rise of the issue of graduate employability up the policy agenda, there is increasing focus on progression in employment. This is especially so given that in order to gain entry to the labour market young people may have to take jobs below their skills levels; hence, they may be under-employed. In order to lead the ‘flourishing lives’ advocated in the capabilities approach (see discussion in section 3.4.2) it is important that they (and other sub-groups who are in, or aspire to be in, the labour market) have the support they need and the opportunities available to gain the types of employment that they desire. Moreover, from both an individual and from broader societal and economic perspectives, it is important that, as far as possible, individuals are able to utilise their skills in employment.
Likewise, debates on the employability of migrants tend to focus on gaining employment and progression in employment. While some migrant workers arrive in their destination country with their job already secured, others may access those jobs which are the easiest to enter in the first instance (and these may be hard-to-fill vacancies characterised by unattractive working conditions and low pay), even though they may be below their skills levels. This is likely to be the case especially if they lack language skills. For migrant workers in paid work, as for young people in harsh labour market conditions, under-employment is often a key issue.

By contrast, debates on the employability of older people tend to focus on issues of labour market retention. The ageing of the population and the need for many people to extend their working lives has reinforced this focus. Once out of employment, it can be particularly difficult for older people to re-enter the labour market.

Focusing first on individual factors, employability skills and characteristics, including basic skills (and an expanded set of so-called ‘new basic skills’), personal competencies, self-efficacy and motivation are important for young people, older people and migrants alike. Those individuals in each of these groups who lack such skills and characteristics are likely to find it difficult to gain and sustain employment. Issues concerning health and well-being are particularly prominent in employability debates concerning older people, although there is substantial interest in the impact on mental well-being of difficult transitions into work, and of prolonged spells out of employment, on young people. Discussions on issues of health are notable by their relative absence from debates on the employability of migrants.

Given that debates on employability of young people and migrants have a specific focus on gaining employment, the job search process is of particular relevance for these groups. For young people there is increasing focus on raising awareness of the employment opportunities that are available, and on developing transferable employability skills that will be valuable in the labour market. In the case of migrants the concern also extends to familiarisation with the functioning of the host labour market and how to navigate their way through it. In line with the rhetoric concerning the extension of working lives and boundaryless careers, there is also growing recognition that older people may need support with job search, especially given the increasing use of the internet and electronic channels in the job matching process, given that their previous experience might be dated and so not match with contemporary recruitment and selection methods. Issues relating to enhancing adaptability and flexibility are of relevance to all three groups considered here.

Individual circumstances are of relevance for debates on employability for all three groups considered here. There are differences within each group in household circumstances and access to resources such as social capital (including the size and strength of social networks), financial resources and transport for getting to work. A key issue in relation to social networks in each group is whether they facilitate access to a range of different opportunities or whether they accentuate processes of segmentation in the labour market. Family and caring responsibilities differ within and between groups, and also provision and support for carers varies between countries. Young people who are parents will have caring responsibilities, which may constrain their labour market participation, whereas other young people may have no such responsibilities. Older people may have responsibilities both for older parents and for grandchildren. Some migrants, especially those who have recently arrived in their destination country, may be reliant on migrant support networks. Attitudes to work and work cultures may vary both within and between groups, and by location and also by cultural/national/ethnic background.

As has been noted above, labour demand factors are important for all three groups, but have particular prominence for young people. Labour market rules and regulations are of particular significance for migrants. While there is a policy onus on mobility, this is especially so for EU nationals. Developments in migration policy mean that employment opportunities for third country nationals are more limited.

Employers’ practices play a central role in shaping entry to, and progression in, the labour market and so impact on the employability of young people, older people and migrants, and discriminatory
practices, whether direct or indirect, may impinge on all groups. Yet employers’ practices, work organisation and workplace environments have tended to receive less prominence than they deserve in debates on employability, albeit the utilisation of skills is an increasing feature of policy debates on fostering growth (Ashton and Sung, 2011; Buchanan et al., 2010; UKCES, 2010b; Sung et al., 2009). Migrants have been a particular focus for studies of discrimination, but once again reiterating the point about within-group heterogeneity, these studies have highlighted that some migrant/national/ethnic/religious groups are more likely to be discriminated against than others.

Labour market intermediaries and support services have an important role to play in enhancing the employability of each group. It is important for such intermediaries and services to be cognisant of how different interventions may be best focused for different groups of individuals. However, it is salient to note that for all three groups ensuring that employability skills training within a work-related context (e.g. through work experience placements for young people, through work-related language courses for migrants and through on-the-job training for older workers) is valuable.

11.3 Key messages

A range of employability skills have been identified around qualifications, skills (of various types), values, characteristics and job-related competences. Adaptability is significant to enhancing employability. Self-efficacy and confidence are also important to employability, as individuals possessing these attributes are more likely to be proactive in their career, open to learning and development opportunities and adapt to change easily. Basic skills and new basic skills are the foundation for employability and the development of soft skills is necessary for enhancing employability. Yet there remains some confusion about terminology and measurement of particular facets of employability. Thus, it is possible that an employability inventory would contribute to improvements in shared understanding and measurement of the concept.

Individual circumstances both constrain and facilitate employability, including local area, spatial mobility and social networks. The impact of an individual’s neighbourhood and their spatial mobility on employability is difficult to measure as a range of factors influence outcomes. Moreover, some of these factors are positive and others negative, and it is the net outcome of these various influences that matters for individuals. At neighbourhood and local labour market level it is difficult to make generalisations about these factors. Moreover, country contexts and associated welfare regimes and national institutional factors play a role. Similarly, social networks impact on career aspirations in different ways, as individuals could have a localised or narrow view of their opportunities gained through the lens of their neighbourhood, but conversely close family and friends could be supportive in expanding an individual’s perception of opportunities. This would lead to enhanced employability.

Labour market factors need to be taken into account when considering employability – they have a particular impact on absolute employability. Country context has a particular bearing here through the macroeconomic context. The nature of labour demand, particularly at a local level, impacts on individuals’ ability to gain, sustain and progress in employment. Where employment opportunities are limited, employability may be low. Labour market rules and regulations aimed at addressing inequalities and improving the position of vulnerable groups will have a positive influence on supporting opportunities for employability skills development.

How individuals construct their employment paths, transitions and work culture can affect how and whether employability is enhanced. Employability can be negatively affected by those employees who consider themselves to be engaged in meaningful employment, as they are less likely to change jobs, especially in a slack labour market. However, employees may be happy in their work where employers are actively engaged in supporting and promoting learning and development opportunities to enhance employability. Again, this highlights the importance of the workplace context and opportunities for development that it provides in shaping employability, and yet this has been a relatively neglected issue in employability debates.
Significant enabling factors for employability include labour market policy and active labour market programmes, human resource management practices, together with labour market intermediaries and career information, advice and guidance support services. A broad shift to greater individual responsibility for employability development has led to the expansion of a number of initiatives and support services – particularly in relation to ICT-enabled information, advisory and guidance services.

For young people, older people and migrants, employability is fundamental to successful transition into the labour market, their ability to remain in employment and, importantly, their ability to progress. The range of personal and external factors enabling and constraining employability may be even more significant to these particular groups.

Developing young people’s employability is challenging, but essential to ensure a successful school-to-work transition and career in an increasingly complex labour market. For those young people experiencing unemployment, underemployment and inactivity, developing employability skills are even more challenging. At regional and national levels, active labour market programmes and vocational education and training systems are vital to supporting employability.

Due to changes in policy and regulations, alongside demographic developments, older workers are remaining active in the labour market for longer so maintaining their employability is critical to ensure skills and competences are up-to-date. However, a number of factors, both personal and external, influence their employability, which can be addressed with age management and human resources strategies.

For migrants, employability is fundamental to their successful integration into and progress in the labour market. A multitude of additional issues impact on migrant employability, including cultural distance and understanding, language skills, (non)recognition of qualifications and experience, labour market segmentation and underemployment.

### 11.4 A revised employability framework

In light of this evidence, a revised employability framework has been produced and is presented in this section. It provides a detailed framework and context for the accompanying report (de Hoyos et al., 2012), which has a specific focus for informing the role of ICT in employability, and ICT interventions and employability for the three target groups. This revised employability framework is reviewed in that report with reference to the role of ICT in employability.

#### 11.4.1 Rationale for, and key features of, a revised employability framework

While the framework set out in Table 3.1 (adapted and simplified from McQuaid and Lindsay [2005]) has proved a useful organising schema for the evidence presented in this review, in order to take account of some of the issues emerging, and to give greater prominence to selected components of the framework, a revised employability framework has been devised (see Table 11.1).

This revised framework has one overarching row (relating to enabling support factors) and five columns (covering individual factors, individual circumstances, employer organisational practices, local contextual factors, and macro level factors). Individuals’ journeys to employability encompass each of these factors, so requiring different types of (ideally joined-up) interventions and actions – from individuals themselves, from intermediaries and from employers – at different points in time (as discussed in section 7.2.3 and outlined in Figure 7.1) to address barriers and to provide opportunities to enhance employability. This means that in practice the different elements of the framework are need to be linked together.

Key features of the revised framework in Table 11.1 are:

- **Greater prominence accorded to enabling support factors**: Rather than being treated as a domain under ‘labour market factors’ (as in Table 3.1), enabling support factors (encompassing labour market intermediaries in public, private and voluntary sectors,
trades unions, national and local employer associations / business organisations, local and regional authorities, and sectoral and professional bodies) now have an overarching role, spanning all columns in the Table 11.1 and impinging on all aspects of employability. This reflects the role of labour market intermediaries and support agencies from the public, private and voluntary sectors in providing support to individuals along all parts of the employability pipeline/ pathway – from pre-employment training (for economically inactive and long-term unemployed individuals) and other training provision (impacting on employability at the individual level), through signposting to non-employment support services (so influencing individuals’ circumstances), through job matching and job broking (so impinging on local labour market operation). Enabling support factors also encompass provision of support to employers and the role of labour market intermediaries in influencing local training and skills policy (so impacting on employers’ practices) and more broadly in respect of lobbying for changes in institutional and regulatory factors which impinge on employability.

• **Individual factors**: As in Table 3.1, in the revised employability framework presented in Table 11.1 this column has most content, so reflecting the importance of individual factors for employability. New features have been added here drawing on the findings from the literature review. A distinction is made between demographic characteristics (which can be used as a basis for discrimination); health and well-being; economic position; employability skills and characteristics – including new basic skills and perceived employability (revealed by the literature review as being important components of employability); labour market and job seeking knowledge; attitudes to paid employment, self-employment and entrepreneurship; and adaptability and mobility – including career management and adaptability.

• **Individual circumstances**: The distinctions here are between household circumstances; household work culture (including whether there is a culture in which skills development is encouraged); and access to resources (including access to different types of capital, including ICT).

• **Employer/ organisational practices**: The inclusion of this column represents a key departure from the framework presented in Table 3.1. It has been included in a central position in the framework and has been highlighted explicitly in recognition of the very important role that can (but may not) be played by employers in enhancing employability through provision of training, encouraging lifelong learning, and providing an environment in which skills can be utilised and developed. The central position of employers also reflects the key roles of skills utilisation and job quality (for which employers are gatekeepers) in enabling employability. A distinction is made here between the organisational culture – including commitment to skills development and the adoption of high performance working practices; recruitment and selection practices – which shape access of individuals to employment; and working practices – including the adoption of flexible working practices (which might enhance opportunities for employment for some individuals). It is also salient to reiterate with regard to employers that employer associations and business organisations are included amongst the overarching enabling support factors which span all columns of the framework.

• **Local contextual factors**: The inclusion of this column also represents a departure from the framework set out in Table 3.1. It merits a separate column in the revised framework because of the importance of the local (neighbourhood and local labour market) context in shaping, and providing solutions for, employability.\(^{67}\) A distinction is

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\(^{67}\) It is also pertinent to note here that local opportunities are of particular importance for those individuals who are most vulnerable in the labour market (Green and Owen, 2006).
made here between the features of local employment – including the quantity, quality and location of jobs; local work culture – including the neighbourhood context and local norms and aspirations; and the norms of operation of the local labour market – in recognition that there may be different recruitment norms and/or certain employers may be more or less influential in different local labour markets. (It is also pertinent to note that any of the intermediaries and support agencies including amongst the overarching enabling support factors may intervene/ exert influence at the local level.)

- **Macro level factors:** Here a distinction is made between the regulatory regime (mainly nationally-specific, but including some EU level factors) – including regulations determining labour market access, and also education and training funding regimes; welfare regimes and institutional factors – including the benefits system, active labour market policy, the role of the public employment service, and ICT policy; employment policy – including incentives for employers to recruit and take on individuals for work experience; and macroeconomic factors – including the level of demand for labour (and associated competition for jobs).

In summary, while there remain some important similarities with the employability framework shown in Table 3.1 that was used to structure chapters 4-10 of this report, key new features of the revised framework are:

1. The importance of intermediary services in providing enabling support – to individuals (and households) in employment/ education/ training and in non-work domains; to employers; and to local and national stakeholders in facilitating the operation of labour markets.

2. The central role of employers in employability.

3. The distinction between local contextual and broader macro level factors.

4. The inclusion of a wider array of individual factors impinging on employability.

11.4.2 Assessing the contribution of different elements within the revised employability framework

As outlined in section 4.5, various approaches to measuring employability at individual level are commonly used, including quantitative, qualitative and mixed approaches. However, in the context of a wide array of different factors impinging on employability outcomes (as indicated in Table 11.1) it can be difficult to assess formally the role and relative significance of different elements within policies designed to enhance employability. One possible way forward here is to use contribution analysis – which attempts to describe ‘plausible associations’ between observed results and what has occurred within an initiative / programme. It does not prove a contribution, but can provide insights and evidence into likely contributions of different elements / activities.

Mayne (2001) has identified a number of key steps in contribution analysis. The first step involves setting out the logic chain (i.e. theory of change) underlying the programme of activity – including outputs and outcomes. The next is to assemble and assess the existing evidence relating to different parts of the ‘performance story’ based on the underlying theory of change, bearing in mind that where links between elements of the logic chain are weak, further evidence may be required. The next step is to assemble and assess alternative explanations for outcomes observed. The ‘performance story’ is then revised and reassessed in the light of these and the contribution of the different elements assessed.
# Table 11.1: Revised employability framework

<table>
<thead>
<tr>
<th>Enabling support factors</th>
<th>Individual factors</th>
<th>Individual circumstances</th>
<th>Employer/ organisational practices</th>
<th>Local contextual factors</th>
<th>Macro level factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Role of labour market intermediaries and support agencies in public, private and voluntary sectors, trades unions, national and local employer associations / business organisations, local / regional authorities, and sectoral and professional bodies, education institutions (schools, colleges and universities) in:</td>
<td>Demographic characteristics (could be the basis for discrimination)</td>
<td>Disposition to enhancing employability</td>
<td>Organisational culture</td>
<td>Features of local employment</td>
<td>Regulatory regime (mainly nationally-specific but some factors at EU level)</td>
</tr>
<tr>
<td>• providing support to individuals on the employability pathway</td>
<td>• age</td>
<td>• commitment to training / skills development and skills utilisation (and for whom)</td>
<td>• quantity of jobs (vis-à-vis number of people seeking employment) in the local labour market</td>
<td>• rules determining labour market access</td>
<td></td>
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<tr>
<td>– pre-employment preparation</td>
<td>• gender</td>
<td>– whether have a training budget</td>
<td>• quality of jobs</td>
<td>– migration policy</td>
<td></td>
</tr>
<tr>
<td>– training provision / signposting to specialist provision</td>
<td>• nationality</td>
<td>– whether have a training plan</td>
<td>– occupation / skill level</td>
<td>– equalities policy / anti-discrimination policy</td>
<td></td>
</tr>
<tr>
<td>– signposting / referral to non-employment/ training support services (e.g. health, housing, care, etc.)</td>
<td>• country of origin</td>
<td>– whether support (and fund) on-the-job/ off-the-job training (including e-learning)</td>
<td>– full-time/ part-time</td>
<td>– formal education system, curricula and training policy (including funding regimes)</td>
<td></td>
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<tr>
<td></td>
<td>• time in host country</td>
<td>– whether offer work experience/ work placements</td>
<td>– permanent / temporary</td>
<td></td>
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<td></td>
<td>• ethnic group</td>
<td>• whether adopt high performance work practices</td>
<td>– pay</td>
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<td></td>
<td>• religious affiliation</td>
<td>– whether provide opportunities for employee voice</td>
<td>– location of jobs (vis-à-vis residences and local transport networks)</td>
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<td></td>
<td>• name</td>
<td>– trades union recognition</td>
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<tr>
<td>Health and well-being</td>
<td>Labour market and Job seeking knowledge</td>
<td>Household work culture</td>
<td>Recruitment and selection practices</td>
<td>Local work culture</td>
<td>Welfare regime and institutional factors</td>
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<tr>
<td>health</td>
<td>employment/ work knowledge base (including work experience and general work skills)</td>
<td>whether other household members are in employment</td>
<td>how and where jobs are advertised (i.e. methods used)</td>
<td>whether neighbourhood has high levels of employment/ non-employment</td>
<td>benefits system</td>
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<tr>
<td>physical</td>
<td>awareness of labour market opportunities</td>
<td>existence of a culture in which work and skills development is (not) encouraged</td>
<td>formal</td>
<td>local norms/ aspirations regarding education/ training/ employment</td>
<td>active labour market policy</td>
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<tr>
<td>mental</td>
<td>knowledge of employers’ recruitment practices</td>
<td>knowledge and use of formal and informal information sources</td>
<td>informal</td>
<td></td>
<td>role of public employment service</td>
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<tr>
<td>disability</td>
<td>ability to fill in a CV, perform effectively at interview</td>
<td>ability to fill in a CV, perform effectively at interview</td>
<td>internet/ e-based</td>
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<td>role of trades unions</td>
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<td></td>
<td>realistic approach to job targeting</td>
<td>realistic approach to job targeting</td>
<td>how successful applicants are selected</td>
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<td>ICT policy</td>
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<td></td>
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<td>manual</td>
<td></td>
<td>public service delivery</td>
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<table>
<thead>
<tr>
<th>Economic position</th>
<th>Adaptability and mobility</th>
<th>Access to resources</th>
<th>Working practices</th>
<th>Local labour market operation and norms</th>
<th>Employment policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>(currently) in</td>
<td>career management and</td>
<td>access to transport</td>
<td>whether adopt flexible</td>
<td>recruitment norms</td>
<td>work incentives (for individuals)</td>
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<td>employment</td>
<td>adaptability</td>
<td>access to financial</td>
<td>working practices (and</td>
<td>- how/where jobs are</td>
<td>access to education and</td>
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<td>capital</td>
<td>for whom)</td>
<td>advertised locally</td>
<td>training when on</td>
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<td>full-time employee</td>
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<td>access to social</td>
<td>- part-time working</td>
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<td>benefits</td>
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<td>capital</td>
<td>- term-time hours</td>
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<td>incentives for employers</td>
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<td>part-time employee</td>
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<td>- compressed hours</td>
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<td>to recruit / take on</td>
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<td>search)</td>
<td>- annual hours</td>
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<td>individuals for work</td>
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<td>self-employed</td>
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<td>access to cultural</td>
<td>- job sharing</td>
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<td>experience, and for</td>
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<td>capital (to ease entry</td>
<td>- flexi-time</td>
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<td>skills development</td>
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<td>employees)</td>
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<td>into employment and to</td>
<td>- teleworking</td>
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<td>maintain employment</td>
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<td>access to ICT</td>
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<td>overall work history</td>
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|                      |                          |                      |                  | |                          |

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### Employability skills and attributes/characteristics

- **essential attributes**
  - basic social skills
  - honesty and integrity
  - personal presentation
  - reliability
  - willingness to work
  - understanding of actions and consequences
  - positive attitude to work
  - responsibility
  - self-discipline

- **personal competencies**
  - proactivity
  - diligence
  - (self-)motivation
  - judgement
  - initiative
  - assertiveness
  - confidence
  - self-esteem
  - self-efficacy
  - perceived employability

- **basic transferable skills**
  - literacy
  - writing
  - numeracy
  - verbal presentation
  - basic ICT skills
  - new basic skills

- **key transferable skills**
  - problem solving
  - work process management
  - team working
  - personal task and time management
  - e-skills
  - interpersonal and communication skills
  - emotional intelligence
  - aesthetic customer service skills
  - high level transferable skills
  - team working
  - business thinking
  - commercial awareness
  - vision
  - job-specific skills
  - enterprise skills
  - creativity

- **qualifications (and where obtained)**
  - academic
  - vocational
  - job-specific

### Macroeconomic factors (at national and supra-national scales)

- aggregate demand for labour
  - unemployment levels
  - vacancy levels
  - employment profile
- employer/consumer confidence
### Table 11.2: Revised employability framework – Young people
(Key issues highlighted in bright green are of particular relevance for this group)

<table>
<thead>
<tr>
<th>Enabling support factors</th>
<th>Individual factors</th>
<th>Disposition to enhancing employability</th>
<th>Individual circumstances</th>
<th>Employer/ organisational practices</th>
<th>Local contextual factors</th>
<th>Macro level factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>- providing support to individuals on the employability pathway</td>
<td>Demographic characteristics (could be the basis for discrimination)</td>
<td>• age</td>
<td>• direct caring responsibilities</td>
<td>• commitment to training / skills development and skills utilisation (and for whom)</td>
<td>• quantity of jobs (vis-a-vis number of people seeking employment) in the local labour market</td>
<td>Regulatory regime (mainly nationally-specific but some factors at EU level)</td>
</tr>
<tr>
<td>- pre-employment preparation</td>
<td>• gender</td>
<td>• other family and caring responsibilities</td>
<td>• whether have a training budget</td>
<td>• occupation/ skill level</td>
<td>• rules determining labour market access</td>
<td></td>
</tr>
<tr>
<td>- training provision/ signposting to specialist provision</td>
<td>• nationality</td>
<td>• other aspects of individual’s contribution to household (economic or otherwise)</td>
<td>• whether have a training plan</td>
<td>• full-time/ part-time</td>
<td>- migration policy</td>
<td></td>
</tr>
<tr>
<td>- signposting/ referral to non-employment/ training support services (e.g. health, housing, care, etc.)</td>
<td>• country of origin</td>
<td>• other household circumstances</td>
<td>• whether support (and fund) on-the-job/ off-the-job training (including e-learning)</td>
<td>• permanent/ temporary</td>
<td>- equalities policy / anti-discrimination policy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• time in host country</td>
<td></td>
<td>• whether offer work experience/ work placements</td>
<td>• pay</td>
<td>• formal education system, curricula and training policy (including funding regimes)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• ethnic group</td>
<td></td>
<td>• whether adopt high performance work practices</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• religious affiliation</td>
<td></td>
<td>• whether provide opportunities for employee voice</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• name</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Individual factors

- **Enabling support factors**
  - providing support to employers in facilitating aspects of employment:
    - pre-employment and in work training
    - recruitment and selection
    - off-the-job and on-the-job training
    - helping ensure employee voice and buy-in
    - legal advice (e.g. on employment regulations)
  - influencing local training/ skills policy
    - to address national and local labour market needs
    - adapting existing training programmes to meet local needs
    - through facilitating opportunities for business and employee voice

- **Individual factors**
  - **Demographic characteristics (could be the basis for discrimination)**
    - age
    - gender
    - nationality
    - country of origin
    - time in host country
    - ethnic group
    - religious affiliation
    - name
  - **Disposition to enhancing employability**
    - attitudes to education and training
      - commitment to lifelong learning
      - engagement in CPD
    - engagement in networking to extend human/social/cultural capital
    - attitudes to paid employment, self-employment and entrepreneurship
    - attitudes to taking up unpaid/marginally paid work
      - volunteering
      - internships
  - **Individual circumstances**
    - Household circumstances
      - • direct caring responsibilities
        - other family and caring responsibilities
        - other aspects of individual’s contribution to household (economic or otherwise)
      - other household circumstances
    - Organisational culture
      - commitment to training / skills development and skills utilisation (and for whom)
        - whether have a training budget
        - whether have a training plan
        - whether support (and fund) on-the-job/ off-the-job training (including e-learning)
        - whether offer work experience/ work placements
        - whether adopt high performance work practices
        - whether provide opportunities for employee voice
    - Features of local employment
      - quantity of jobs (vis-a-vis number of people seeking employment) in the local labour market
      - quality of jobs
        - occupation/ skill level
        - full-time/ part-time
        - permanent/ temporary
        - pay
      - location of jobs (vis-a-vis residences and local transport networks)
  - **Macro level factors**
    - Regulatory regime (mainly nationally-specific but some factors at EU level)
      - rules determining labour market access
      - migration policy
      - equalities policy / anti-discrimination policy
      - formal education system, curricula and training policy (including funding regimes)
<table>
<thead>
<tr>
<th><strong>Health and well-being</strong></th>
<th><strong>Labour market and Job seeking knowledge</strong></th>
<th><strong>Household work culture</strong></th>
<th><strong>Recruitment and selection practices</strong></th>
<th><strong>Local work culture</strong></th>
<th><strong>Welfare regime and institutional factors</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>health</td>
<td>employment/ work knowledge base (including work experience and general work skills)</td>
<td>whether other household members are in employment</td>
<td>how and where jobs are advertised (i.e. methods used)</td>
<td>whether neighbourhood has high levels of employment/ non-employment</td>
<td>benefits system</td>
</tr>
<tr>
<td>physical</td>
<td>awareness of labour market opportunities</td>
<td>existence of a culture in which work and skills development is (not) encouraged</td>
<td>formal</td>
<td>local norms/ aspirations regarding education/ training/ employment</td>
<td>active labour market policy</td>
</tr>
<tr>
<td>mental</td>
<td>knowledge of employers’ recruitment practices</td>
<td></td>
<td>informal</td>
<td>role of public employment service</td>
<td>role of trades unions</td>
</tr>
<tr>
<td>disability</td>
<td>knowledge and use of formal and informal information sources</td>
<td></td>
<td>internet/ e-based</td>
<td>ICT policy</td>
<td>ICT policy</td>
</tr>
<tr>
<td></td>
<td>ability to fill in a CV, perform effectively at interview</td>
<td></td>
<td>how successful applicants are selected</td>
<td>role of trades unions</td>
<td>public service delivery</td>
</tr>
<tr>
<td></td>
<td>realistic approach to job targeting</td>
<td></td>
<td>manual</td>
<td>role of trades unions</td>
<td>public service delivery</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Economic position</strong></th>
<th><strong>Adaptability and mobility</strong></th>
<th><strong>Access to resources</strong></th>
<th><strong>Working practices</strong></th>
<th><strong>Local labour market operation and norms</strong></th>
<th><strong>Employment policy</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>(currently) in employment</td>
<td>career management and adaptability</td>
<td>access to transport</td>
<td>whether adopt flexible working practices (and for whom)</td>
<td>recruitment norms</td>
<td>work incentives (for individuals)</td>
</tr>
<tr>
<td>(currently) in employment</td>
<td>functional mobility</td>
<td>access to financial capital</td>
<td>part-time working</td>
<td>how/where jobs are advertised locally</td>
<td>access to education and training when on benefits</td>
</tr>
<tr>
<td>(currently) in employment</td>
<td>occupational mobility</td>
<td>access to social capital (including for job search)</td>
<td>term-time hours</td>
<td>role of employment agencies in local labour market (and occupational/sectoral labour markets locally)</td>
<td>incentives for employers to recruit/take on individuals for work experience, and for skills development</td>
</tr>
<tr>
<td>(currently) in employment</td>
<td>geographical mobility</td>
<td>access to cultural capital (to ease entry into employment and to maintain employment)</td>
<td>compressed hours</td>
<td>role and strength of different actors in the local labour markets (e.g. key employers, local authorities, trades unions, etc.)</td>
<td></td>
</tr>
<tr>
<td>(currently) in employment</td>
<td>wage flexibility (and reservation wage)</td>
<td>access to ICT</td>
<td>annual hours</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(currently) unemployed</td>
<td>duration</td>
<td></td>
<td>job sharing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(currently) unemployed</td>
<td>(currently) economically inactive</td>
<td></td>
<td>flexi-time</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(currently) unemployed</td>
<td>reason</td>
<td></td>
<td>teleworking</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(currently) unemployed</td>
<td>duration</td>
<td></td>
<td>working from home on a regular basis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(currently) unemployed</td>
<td>overall work history</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Employability skills and attributes/characteristics

- **Essential attributes**
  - Basic social skills
  - Honesty and integrity
  - Personal presentation
  - Reliability
  - Willingness to work
  - Understanding of actions and consequences
  - Positive attitude to work
  - Responsibility
  - Self-discipline

- **Personal competencies**
  - Proactivity
  - Diligence
  - (Self-)motivation
  - Judgement
  - Initiative
  - Assertiveness
  - Confidence
  - Self-esteem
  - Self-efficacy
  - Perceived employability

- **Basic transferable skills**
  - Literacy
  - Writing
  - Numeracy
  - Verbal presentation
  - Basic ICT skills
  - New basic skills

- **Key transferable skills**
  - Problem solving
  - Work process management
  - Team working
  - Personal task and time management
  - E-skills
  - Interpersonal and communication skills
  - Emotional intelligence
  - Aesthetic customer service skills

- **High level transferable skills**
  - Team working
  - Business thinking
  - Commercial awareness
  - Vision
  - Job-specific skills
  - Enterprise skills
  - Creativity

- **Qualifications (and where obtained)**
  - Academic
  - Vocational
  - Job-specific

### Macroeconomic factors

- **Aggregate demand for labour**
  - Unemployment levels
  - Vacancy levels
  - Employment profile

- **Employer/consumer confidence**
### Enabling support factors

**Role of labour market intermediaries and support agencies in public, private and voluntary sectors, trades unions, national and local employer associations / business organisations, local / regional authorities, and sectoral and professional bodies, education institutions (schools, colleges and universities) in:**

- providing support to individuals on the employability pathway
  - pre-employment preparation
  - training provision/ signposting to specialist provision
  - signposting/ referral to non-employment/ training support services (e.g. health, housing, care, etc.)
- CV preparation
- interview practice
- job search advice and support
- access to ICT skills provision
- access to ICT hardware and software
- job broking (including technology)
- job matching (including technology)
- post-employment support
- providing support to employers in facilitating aspects of employment:
  - pre-employment and in work training
  - recruitment and selection
  - off-the-job and on-the-job training
  - helping ensure employee voice and buy-in
  - legal advice (e.g. on employment regulations)
- influencing local training/ skills policy
  - to address national and local labour market needs
  - adapting existing training programmes to meet local needs
  - through facilitating opportunities for business and employee voice

---

### Individual factors

**Demographic characteristics** (could be the basis for discrimination)
- age
- gender
- nationality
- country of origin
- time in host country
- ethnic group
- religious affiliation
- name

**Disposition to enhancing employability**
- attitudes to education and training
  - commitment to lifelong learning
  - engagement in CPD
- engagement in networking to extend human/social/cultural capital
- attitudes to paid employment, self-employment and entrepreneurship
- attitudes to taking up unpaid/marginally paid work
  - volunteering
  - internships

**Household circumstances**
- direct caring responsibilities
- other family and caring responsibilities
- other aspects of individual’s contribution to household (economic or otherwise)
- other household circumstances

**Organisational culture**
- commitment to training / skills development and skills utilisation (and for whom)
  - whether have a training budget
  - whether have a training plan
  - whether support (and fund) on-the-job/ off-the-job training (including e-learning)
  - whether offer work experience/ work placements
  - whether adopt high performance work practices
  - whether provide opportunities for employee voice

**Features of local employment**
- quantity of jobs (vis-à-vis number of people seeking employment) in the local labour market
  - quality of jobs
    - occupation/ skill level
    - full-time/ part-time
    - permanent/ temporary
    - pay
  - location of jobs (vis-à-vis residences and local transport networks)

**Regulatory regime** (mainly nationally-specific but some factors at EU level)
- rules determining labour market access
- migration policy
- equalities policy / anti-discrimination policy
- formal education system, curricula and training policy (including funding regimes)
<table>
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<th>Household work culture</th>
<th>Recruitment and selection practices</th>
<th>Local work culture</th>
<th>Welfare regime and institutional factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>• health</td>
<td>• employment/ work knowledge base</td>
<td>• whether other household members are in employment</td>
<td>• how and where jobs are advertised (i.e. methods used)</td>
<td>• whether neighbourhood has high levels of employment/ non-employment</td>
<td>• benefits system</td>
</tr>
<tr>
<td>• physical</td>
<td>• awareness of labour market opportunities</td>
<td>• existence of a culture in which work and skills development is (not) encouraged</td>
<td>- formal</td>
<td>• local norms/ aspirations regarding education/ training/ employment</td>
<td>• active labour market policy</td>
</tr>
<tr>
<td>• mental</td>
<td>• knowledge of employers’ recruitment practices</td>
<td></td>
<td>- informal</td>
<td></td>
<td>• role of public employment service</td>
</tr>
<tr>
<td>• disability</td>
<td>• knowledge and use of formal and informal information sources</td>
<td></td>
<td>- internet/ e-based</td>
<td></td>
<td>• role of trades unions</td>
</tr>
<tr>
<td></td>
<td>• ability to fill in a CV, perform effectively at interview</td>
<td></td>
<td>• how successful applicants are selected</td>
<td></td>
<td>• ICT policy</td>
</tr>
<tr>
<td></td>
<td>• realistic approach to job targeting</td>
<td></td>
<td>- manual</td>
<td></td>
<td>– public service delivery</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Economic position</th>
<th>Adaptability and mobility</th>
<th>Access to resources</th>
<th>Working practices</th>
<th>Local labour market operation and norms</th>
<th>Employment policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>• (currently) in employment</td>
<td>• career management and adaptability</td>
<td>• access to transport</td>
<td>• whether adopt flexible working practices (and for whom)</td>
<td>• recruitment norms</td>
<td>• work incentives (for individuals)</td>
</tr>
<tr>
<td></td>
<td>• functional mobility</td>
<td>• access to financial capital</td>
<td>- part-time working</td>
<td>- how/where jobs are advertised locally</td>
<td>• access to education and training when on benefits</td>
</tr>
<tr>
<td></td>
<td>• occupational mobility</td>
<td>• access to social capital (including for job search)</td>
<td>- term-time hours</td>
<td>- role of employment agencies in local labour market (and occupational/ sectoral labour markets locally)</td>
<td>• incentives for employers to recruit / take on individuals for work experience, and for skills development</td>
</tr>
<tr>
<td></td>
<td>• geographical mobility</td>
<td>• access to cultural capital (to ease entry into employment and to maintain employment)</td>
<td>- compressed hours</td>
<td>- role and strength of different actors in the local labour markets (e.g. key employers, local authorities, trades unions, etc.)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• wage flexibility (and reservation wage)</td>
<td>• access to ICT</td>
<td>- annual hours</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- job sharing</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- flexi-time</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- teleworking</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• working from home on a regular basis</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Access to resources</th>
<th>Working practices</th>
<th>Local labour market operation and norms</th>
<th>Employment policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>• access to transport</td>
<td>• whether adopt flexible working practices (and for whom)</td>
<td>• recruitment norms</td>
<td>• work incentives (for individuals)</td>
</tr>
<tr>
<td></td>
<td>- part-time working</td>
<td>- how/where jobs are advertised locally</td>
<td>• access to education and training when on benefits</td>
</tr>
<tr>
<td></td>
<td>- term-time hours</td>
<td>- role of employment agencies in local labour market (and occupational/ sectoral labour markets locally)</td>
<td>• incentives for employers to recruit / take on individuals for work experience, and for skills development</td>
</tr>
<tr>
<td></td>
<td>- compressed hours</td>
<td>- role and strength of different actors in the local labour markets (e.g. key employers, local authorities, trades unions, etc.)</td>
<td></td>
</tr>
</tbody>
</table>
### Employability skills and attributes/characteristics

- **essential attributes**
  - basic social skills
  - honesty and integrity
  - personal presentation
  - reliability
  - willingness to work
  - understanding of actions and consequences
  - positive attitude to work
  - responsibility
  - self-discipline

- **personal competencies**
  - proactivity
  - diligence
  - (self-)motivation
  - judgement
  - initiative
  - assertiveness
  - confidence
  - self-esteem
  - self-efficacy
  - perceived employability

- **basic transferable skills**
  - literacy
  - writing
  - numeracy
  - verbal presentation
  - basic ICT skills
  - new basic skills

- **key transferable skills**
  - problem solving
  - work process management
  - team working
  - personal task and time management
  - e-skills
  - interpersonal and communication skills
  - emotional intelligence
  - aesthetic customer service skills

- **high level transferable skills**
  - team working
  - business thinking
  - commercial awareness
  - vision
  - job-specific skills
  - enterprise skills
  - creativity

- **qualifications (and where obtained)**
  - academic
  - vocational
  - job-specific

### Macroeconomic factors (at national and supra-national scales)

- aggregate demand for labour
- unemployment levels
- vacancy levels
- employment profile
- employer/consumer confidence
### Table 11.4: Revised employability framework – Migrants

(Please note key issues highlighted in yellow are of particular relevance for this group)

<table>
<thead>
<tr>
<th>Enabling support factors</th>
<th>Providing support to employers in facilitating aspects of employment:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>– pre-employment and in work training</td>
</tr>
<tr>
<td></td>
<td>– recruitment and selection</td>
</tr>
<tr>
<td></td>
<td>– off-the-job and on-the-job training</td>
</tr>
<tr>
<td></td>
<td>– helping ensure employee voice and buy-in</td>
</tr>
<tr>
<td></td>
<td>– legal advice (e.g. on employment regulations)</td>
</tr>
<tr>
<td>Influencing local training/ skills policy</td>
<td>– to address national and local labour market needs</td>
</tr>
<tr>
<td></td>
<td>– adapting existing training programmes to meet local needs</td>
</tr>
<tr>
<td></td>
<td>– through facilitating opportunities for business and employee voice</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Individual factors</th>
<th>Individual circumstances</th>
<th>Employer/ organisational practices</th>
<th>Local contextual factors</th>
<th>Macro level factors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Demographic characteristics</strong> (could be the basis for discrimination)</td>
<td><strong>Disposition to enhancing employability</strong></td>
<td><strong>Household circumstances</strong></td>
<td><strong>Organisational culture</strong></td>
<td><strong>Features of local employment</strong></td>
</tr>
<tr>
<td>age</td>
<td>attitudes to education and training</td>
<td>direct caring responsibilities</td>
<td>commitment to training / skills development and skills utilisation (and for whom)</td>
<td></td>
</tr>
<tr>
<td>gender</td>
<td>commitment to lifelong learning</td>
<td>other family and caring responsibilities</td>
<td>whether have a training budget</td>
<td></td>
</tr>
<tr>
<td>nationality</td>
<td>engagement in CPD</td>
<td>other aspects of individual’s contribution to household (economic or otherwise)</td>
<td>whether have a training plan</td>
<td></td>
</tr>
<tr>
<td>country of origin</td>
<td>engagement in networking to extend human/social/cultural capital</td>
<td>other household circumstances</td>
<td>whether support (and fund) on-the-job/ off-the-job training (including e-learning)</td>
<td></td>
</tr>
<tr>
<td>time in host country</td>
<td>attitudes to paid employment, self-employment and entrepreneurship</td>
<td></td>
<td>whether offer work experience/ work placements</td>
<td></td>
</tr>
<tr>
<td>ethnic group</td>
<td>attitudes to taking up unpaid/marginally paid work</td>
<td></td>
<td>whether adopt high performance work practices</td>
<td></td>
</tr>
<tr>
<td>religious affiliation</td>
<td>volunteering</td>
<td></td>
<td>- whether provide opportunities for employee voice</td>
<td></td>
</tr>
<tr>
<td>name</td>
<td>internships</td>
<td></td>
<td><strong>Regulatory regime</strong> (mainly nationally-specific but some factors at EU level)</td>
<td></td>
</tr>
</tbody>
</table>

- rules determining labour market access
- migration policy
- equalities policy / anti-discrimination policy
- formal education system, curricula and training policy (including funding regimes)
<table>
<thead>
<tr>
<th>Economic position</th>
<th>Adaptable and mobility</th>
<th>Access to resources</th>
<th>Working practices</th>
<th>Local labour market operation and norms</th>
<th>Welfare regime and institutional factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>• (currently) in employment</td>
<td>• career management and adaptability</td>
<td>• access to transport</td>
<td>• whether adopt flexible working practices (and for whom)</td>
<td>• recruitment norms</td>
<td></td>
</tr>
<tr>
<td>– full-time employee</td>
<td>• functional mobility</td>
<td>• access to financial capital</td>
<td>– part-time working</td>
<td>– how/where jobs are advertised locally</td>
<td></td>
</tr>
<tr>
<td>– part-time employee</td>
<td>• occupational mobility</td>
<td>• access to social capital (including for job search)</td>
<td>– term-time hours</td>
<td>– role of employment agencies in local labour market (and occupational/ sectoral labour markets locally)</td>
<td></td>
</tr>
<tr>
<td>– self-employed (with or without employees)</td>
<td>• geographical mobility</td>
<td>• access to cultural capital (to ease entry into employment and to maintain employment)</td>
<td>– compressed hours</td>
<td>• role and strength of different actors in the local labour markets (e.g. key employers, local authorities, trades unions, etc.)</td>
<td></td>
</tr>
<tr>
<td>• (currently) unemployed</td>
<td>• wage flexibility (and reservation wage)</td>
<td>• access to ICT</td>
<td>• job sharing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>– duration</td>
<td></td>
<td></td>
<td>• flexi-time</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• (currently) economically inactive</td>
<td></td>
<td></td>
<td>• teleworking</td>
<td></td>
<td></td>
</tr>
<tr>
<td>– reason</td>
<td></td>
<td></td>
<td>• working from home on a regular basis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>– duration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• overall work history</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Health and well-being</th>
<th>Labour market and Job seeking knowledge</th>
<th>Household work culture</th>
<th>Recruitment and selection practices</th>
<th>Local work culture</th>
<th>Welfare regime and institutional factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>• health</td>
<td>• employment/ work knowledge base (including work experience and general work skills)</td>
<td>• whether other household members are in employment</td>
<td>• how and where jobs are advertised (i.e. methods used)</td>
<td>• whether neighbourhood has high levels of employment/ non-employment</td>
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<tr>
<td>– physical</td>
<td>• awareness of labour market opportunities</td>
<td>• existence of a culture in which work and skills development is (not) encouraged</td>
<td>– formal</td>
<td>– local norms/ aspirations regarding education/ training/ employment</td>
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<tr>
<td>– mental</td>
<td>• knowledge of employers’ recruitment practices</td>
<td></td>
<td>– informal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>– disability</td>
<td>• knowledge and use of formal and informal information sources</td>
<td></td>
<td>– internet/ e-based</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• ability to fill in a CV, perform effectively at interview</td>
<td></td>
<td>– how successful applicants are selected</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• realistic approach to job targeting</td>
<td></td>
<td>– manual</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>– e-screening/ e-selection</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• (non) discriminatory practices</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Access to resources |
|---------------------|------------------|--------------------------|
| • access to transport | • access to financial capital | • access to social capital (including for job search) |
| • access to ICT | • access to cultural capital (to ease entry into employment and to maintain employment) | • access to cultural capital (to ease entry into employment and to maintain employment) |

| Working practices |
|-------------------|------------------|------------------|
| • whether adopt flexible working practices (and for whom) | • part-time working | • term-time hours |
| – job sharing | • compressed hours | • annual hours |
| – flexi-time | • job sharing | • job sharing |
| – teleworking | • flexi-time | • teleworking |
| • working from home on a regular basis | • working from home on a regular basis | • working from home on a regular basis |
### Employability skills and attributes/characteristics

- **essential attributes**
  - basic social skills
  - honesty and integrity
  - personal presentation
  - reliability
  - willingness to work
  - understanding of actions and consequences
- **personal competencies**
  - proactivity
  - diligence
  - (self-)motivation
  - judgement
  - initiative
  - assertiveness
  - confidence
  - self-esteem
  - self-efficacy
  - perceived employability
- **basic transferable skills**
  - literacy
  - writing
  - numeracy
  - verbal presentation
  - basic ICT skills
  - new basic skills

- **key transferable skills**
  - problem solving
  - work process management
  - team working
  - personal task and time management
  - e-skills
  - interpersonal and communication skills
  - emotional intelligence
  - aesthetic customer service skills
- **high level transferable skills**
  - team working
  - business thinking
  - commercial awareness
  - vision
  - job-specific skills
  - enterprise skills
  - creativity
- **qualifications (and where obtained)**
  - academic
  - vocational
  - job-specific

### Macroeconomic factors
(at national and supra-national scales)

- aggregate demand for labour
  - unemployment levels
  - vacancy levels
  - employment profile
- employer/consumer confidence
11.4.3 The relevance of the revised employability framework for young people, older people and migrants

The revised employability framework is sufficiently generic that it is of relevance for each of the three groups discussed in Chapters 8-10. Tables 11.2-11.4 depict the revised employability framework for young people, older people and migrants, respectively. Within each table, key employability issues are highlighted that are particularly pertinent for each group. However, in order to expand on these issues the following comments are made in relation to each group.

The fact that they are young, and lack labour market experience may count against young people, especially at a time of austerity. For most young people, health is not key issue impacting on employability, but employability skills, labour market and job seeking knowledge, and disposition to enhancing employability (for example, through volunteering and work placements) are of fundamental importance. Most, but not all young people, have knowledge and mastery of ICT hardware and software, but they may be less astute than other people in using ICT strategically to enhance employability. Some young people will be constrained in taking up employment by caring responsibilities, but this is likely to be the case for only a minority. Once in employment, the organisational culture within which individuals find themselves is likely to be an important determinant of the extent to which they receive further training, although employers are more likely to target training on new/young employees than on older workers. Local contextual factors are important for young people in terms of the number and variety of jobs they have access to, especially as they tend to be more dependent on local opportunities than prime age workers. Macro level policy factors also impinge on the employability prospects of young people. Important here are who pays for funding for training (i.e. whether the individual is expected to bear the costs), the role of active labour market policy and the overall level of demand in the labour market.

Some older people may be discriminated against on the basis of their age, and this may hinder their prospects of finding employment. For some, health may be an issue also. Those who have been out of employment for some time, or who work in manual occupations, may lack ICT skills if they need to change career direction. Some older people are adept at using social networks (whether e-enabled or traditional) to find employment, but others may lack such networks. Entrepreneurship has been identified as a form of working preferred by older people as meets their needs and changing life circumstances. ICT has increased opportunities for self-employment particularly for older people. Individuals’ household circumstances may be an important influence on employability, in terms of caring for family members (both young and old). As for young people, so also for older people, when in employment organisational culture will impact on employability, but older employees tend to be less likely to be in receipt of training than younger employees. Likewise, as for young people, local contextual factors are an important determinant of the number and types of opportunities available locally. At macro level, the welfare regime can play an important role in employability for older people. Early retirement schemes through ill health are less prominent than was previously the case, so the route of exit from the labour market through ill health/disability is less likely to be an option for current than for previous cohorts of older people. Indeed, changing retirement policies may encourage older people to remain in the labour market for longer.

Migrants may face discrimination on the basis of individual characteristics such as ethnicity, nationality and religious affiliation. Employability skills and characteristics are important for them, and depending on their personal characteristics and situation, may work positively or negatively for them. Ensuring appropriate labour market and job seeking knowledge to navigate the labour market is of particular importance for them. By the act of migration, most will have already demonstrated their mobility and adaptability. Cultural norms regarding caring and attitudes to formal paid work may mean that individual circumstances, including household caring responsibilities, impinge differently on different groups of migrants. As for the other groups, organisational cultures shape employability prospects when in employment. Recruitment and selection processes may disadvantage migrants if they are unfamiliar with local labour market
norms. E-recruitment and e-screening, in which individuals are identified by numbers rather than names, may work in favour of migrants, but cultural differences in norms, attitudes and expectations may mean that they may be disadvantaged in recruitment and selection procedures. For others, entrepreneurship has been offered an alternative form of employment and closely linked with enhancing employability. As with the other groups, key features of employment in the local labour market are important determinants of employability. However, probably more so than for young or older people, the regulatory regime is of fundamental importance in terms of whether and how migrants can access the labour market and eligibility for benefits can influence the types of jobs they are willing to take.

ICT has an important role to play in various aspects of the revised employability framework (and is explored further in a companion report [de Hoyos et al., 2012]).

11.5 Future research needs and gaps

This section highlights research gaps and areas for further research identified as a result of this review.

- Existing research tends to focus on ‘matching individuals to jobs’. In general, there tends to be less emphasis on the converse of ‘matching jobs to individuals’. Yet the latter is the emphasis implied by the ‘capabilities’ approach and is likely to result in employment more likely to be valued by the individual than the outcome of the former approach.

- There is a relative lack of research on the role of employers/organisations in shaping and enhancing employability. Yet their practices, work organisation and the nature of the workplace environment all have a crucial role to play in access to and progression in employment. The gap in evidence extends from recruitment and selection, where there is a lack of academic evidence and assessment of current practices (indeed, the pace of change and the increasing role of ICT mean that it is difficult to keep abreast of developments). The research gap on the employer/organisation front also includes only limited evidence (especially comprehensive evidence on a comparable basis) on the prevalence of high performance working.

- Relatively little is known about national differences in expectations about employability. This has implications for all three groups focused on in this report, but is particularly pertinent for young people. A related issue here is the relative employability of young people with academic vis-à-vis vocational qualifications.

- Another topic where there is potential for more research is the role of careers education and guidance in enabling employability.

- Despite the number of papers written on the subject, very little research exists regarding the contribution of secondary schools and/or vocational training to develop generic and specific job-relevant skills and abilities. There is a clear need for more research devoted to the job prospects of workers with vocational training (compared with those with general education background). In turn, this implies a need for more empirical longitudinal research.

- As Blades et al. (2012) suggest, there is a need for further development and testing employability measurement tools. Off-the-shelf tools that intermediaries could adopt and adapt to assess the impact of their interventions on individuals’ employability situations could have a positive impact on interventions and help make better use of resources.

- In addition to this, there is also a need for research synthesising employability measures used in different studies. This review considers these measures but a full review on this issue would help to answer questions raised.

The formalisation and practices of the sectors that provide employment for migrants matters in this respect. For instance, in France, the IPERIA Institute has worked for 15 years in promoting the professionalisation of jobs involving caring or assisting other in their homes. For further details of IPERIA-FR see the good practice database.
• A further research need was identified in relation to studies addressing the issue of employability from the point of view of particular sectors. This report reviews studies from different sectors; however, further research could aim at gathering (primary or secondary) evidence to provide a more comprehensive assessment of sectors such as manufacturing, services or IT. Such an approach could provide detailed information for policy makers, intermediaries and job seekers about the requirements specific to different sectors.

• Similarly, reviews of studies considering employability by geographical area would also serve to inform future initiatives – especially in the light of the development of local skills systems.

• The potential of ethnic entrepreneurship for employability, and for migrant integration, is another theme that has received little emphasis to date, and yet is of policy interest both locally and nationally – especially in the context of a need to stimulate job growth. Self-employment also has a role to play for young people and older people.

• Although not directly addressed in this study, job quality plays an important role in helping individuals remain in employment and progress in their careers. This highlights the relevance of employer and organisational practices as well as other labour market factors in supporting employability. As Simmons (2009) indicates in relation to young people in precarious jobs: “Despite the discursive location of responsibility for social exclusion within the individual, evidence suggests that it is labour conditions which play the central role in the success or otherwise of young people gaining employment.” (Simmons, 2009: 148)

• This report considers employability in general and with particular focus on young people, older people and migrants. There are, however, other subgroups such as individuals with disabilities, with addictions or ex-offenders for whom employability is an issue of concern and which were beyond the scope of this study.
REFERENCES


Behle H and Purcell K. (2012) ' Why have German and Indian students chosen to study on full-time undergraduate courses in the UK? ', Paper currently under review.


Behle H. (2007) Veränderung der seelischen Gesundheit durch arbeitsmarktpolitische Massnahmen. (=Changes in mental health after participation in active labour market schemes), Nuremberg, Germany.


## APPENDIX 1: LIST OF ACADEMIC DATABASES SEARCHED AND RESULTS

<table>
<thead>
<tr>
<th>Database:</th>
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<th>On-screen results</th>
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<tr>
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## APPENDIX 2: LIST OF JOURNALS SEARCHED MANUALLY AND RESULTS

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<td>Journal of Vocational Behaviour</td>
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<td>Work, Employment and Society</td>
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### APPENDIX 3: LIST OF WEBSITES CONSIDERED

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<td>Cedefop</td>
<td><a href="http://www.cedefop.europa.eu">http://www.cedefop.europa.eu</a></td>
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<tr>
<td>Chartered Institute of Personal Development (CIPD)</td>
<td><a href="http://www.cipd.co.uk">www.cipd.co.uk</a></td>
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<tr>
<td>Commission for Equality and Human Rights (CEHR)</td>
<td><a href="http://www.cehr.org.uk">www.cehr.org.uk</a></td>
</tr>
<tr>
<td>Department for Education (DFES)</td>
<td><a href="http://www.education.gov.uk">www.education.gov.uk</a></td>
</tr>
<tr>
<td>Department for Work and Pensions (DWP)</td>
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<tr>
<td>Emploi, Travail et Formation Professionnelle</td>
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Abstract
IPTS has launched a research project on how ICT can support employability, in the context of its policy support activities for the implementation of the Europe 2020 strategy, and the Digital Agenda for Europe. As a first step, JRC-IPTS contracted the Institute of Employment Research, University of Warwick, UK to prepare: a) a review of the literature on employability, its dimensions and the factors which affect it in general and for groups at risk of exclusion, namely migrants, youth and older workers; and b) a report on how ICT contribute to employability, support the reduction of barriers and create pathways to employment for all, including the three specific groups at risk of exclusion. This report presents the findings of the first part of the research.
As the Commission’s in-house science service, the Joint Research Centre’s mission is to provide EU policies with independent, evidence-based scientific and technical support throughout the whole policy cycle.

Working in close cooperation with policy Directorates-General, the JRC addresses key societal challenges while stimulating innovation through developing new standards, methods and tools, and sharing and transferring its know-how to the Member States and international community.

Key policy areas include: environment and climate change; energy and transport; agriculture and food security; health and consumer protection; information society and digital agenda; safety and security including nuclear; all supported through a cross-cutting and multi-disciplinary approach.