

# APPG for Education Inquiry Call for Evidence: Do schools prepare young people for their future careers?

Written evidence submitted by The Careers & Enterprise Company

## 1. Executive Summary

The Careers & Enterprise Company (the Company) welcomes the opportunity to submit evidence to the APPG for education inquiry: Do schools prepare young people for their future careers? The Company is an employer-led organisation that has been set up to inspire and prepare young people for the fast-changing world of work.

## 2. Introduction

In December 2014, the Secretary of State for Education announced funding to set up an independent and employer-led Careers & Enterprise Company. The Company exists to inspire and prepare young people for the fast-changing world of work. It aims to help motivate young people and support them in making informed choices about their future. Its role is to take an umbrella view of the landscape of careers and enterprise, supporting programmes that work, filling gaps in provision and ensuring coverage across the country. Its approach is to be evidence-based, to build on what works, and to work nationally but tailor locally.

The Company supports the government's aim of helping every young person to consider the options available to them when they leave school and to ensure they are prepared for working life.

In addition to working closely with government, the Company works alongside a variety of other key stakeholders, including; the National Careers Service, employers (corporate and SMEs), Local Enterprise Partnerships, schools, colleges and other educational organisations and providers of careers and enterprise services.

The Company notes that a large body of evidence exists to complement this inquiry from two previous calls for evidence in 2016:

- The purpose and quality of education in England inquiry by the Education Committee.<sup>1</sup>
- The careers advice, information and guidance inquiry by the Sub-Committee on Education, Skills and the Economy.<sup>2</sup>

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<sup>1</sup> House of Commons Education Committee. (2016). *Oral evidence: Purpose and quality of education in England* (HC 650). London: House of Commons.

<sup>2</sup> House of Commons Sub-Committee on Education, Skills and the Economy. (2016). Careers advice inquiry – publications. Available from:

### **3. What should our schools be focusing on in order to prepare young people for the future?**

To understand what can make the difference in helping prepare young people for the world of work the Company has built on work by The Gatsby Foundation.

*The Gatsby Foundation's Good Career Guidance*<sup>3</sup> report set out eight benchmarks for good career guidance in schools which the Company distils into four core pillars:

1. Encounters: with employers, with workplaces, with further and higher education
2. Information: about the labour market and pathways
3. A plan: rooted in what that young person cares about and is good at
4. All underpinned by a stable environment

The report suggests that “..there is no single ‘magic bullet’ in career guidance. It is about doing a number of things – identified in our benchmarks – consistently and well” and goes on to describe how “..good career guidance means linking different activities together to form a coherent whole.

The role of encounters with employers is particularly well evidenced. Research by the Education and Employers Taskforce<sup>4</sup> found that young adults who have more encounters with employers whilst at school are significantly less likely to become NEET and earn up to 18% more than peers who had no such exposure. Such encounters inspire young people and help them understand the relevance of their education; enable them to learn by actually doing; and bring them as close as possible to the reality of a changing employment market in which traditional information sources are rapidly out of date.

Unfortunately, these encounters are currently only taking place for a minority of young people. *The Gatsby Foundation's Good Career Guidance* report found that in only 39% of schools does a young person have an encounter with an employer at least once a year from Year 7 onwards (Survey question: “Every year, from the age of 11, pupils should participate in at least one meaningful encounter with an employer”).

Young people can expect careers opportunities which are markedly different from those of their parents and anticipate having multiple jobs across their lifetime. One example of the changing world of work was provided by Lord Young in his report *Enterprise for All*<sup>5</sup> where he noted that the internet has

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<https://www.parliament.uk/business/committees/committees-a-z/commons-select/education-skills-and-economy/inquiries/parliament-2015/careers-advice-15-16/publications/> [Accessed 8<sup>th</sup> June 2016].

<sup>3</sup> Good Careers Guidance, Sir John Holman, Gatsby Foundation 2014

<sup>4</sup> Percy, C & Mann, A. 2014. “School-mediated employer engagement and labour market outcomes for young adults Wage premia, NEET outcomes and career confidence” in Mann et al, eds. Understanding Employer Engagement in Education. London & New York: Routledge

<sup>5</sup> Young, D. (2014). *Enterprise for All*. Available from

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/338749/EnterpriseforAll-lowres-200614.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/338749/EnterpriseforAll-lowres-200614.pdf) [Accessed 8th June 2016].

transformed the economy into one characterised by small businesses and entrepreneurship where 95.5% of firms employ fewer than 10 employees. These changes in the labour market have implications for the education system. Lord Young's review considers "how we can create a lifelong experience of enterprise in education which is captive and meaningful to young people through life-long contact with business and work".

The new economy brings opportunities but young people are not always best placed to take advantage of them. Youth unemployment currently stands at 13.7% compared to 5.1% nationally.<sup>6</sup> Higher youth unemployment is a trend that pre-dates the financial crisis. At the same time there are over 750,000 vacancies and businesses are reporting skills shortages.<sup>7</sup> The UKCES Employer Skills Survey 2015 which conducted 91,000 interviews with businesses noted 'that a growing number of jobs are being left unfilled because companies can't find the right people with the right skills'.<sup>8</sup>

#### **4. Should schools play a role in developing skills, or should subject knowledge be prioritised?**

The Company fully endorses the value of academic attainment. Employers require employees who are literate, numerate and have a broad general education. This is evident in the CBI/Pearson Education and Skills Survey which noted that 'Young people need to build their workplace skills on solid educational foundations'<sup>9</sup>. The DfE in its evidence to the inquiry on the purpose of education states that being prepared for adult life starts with basic reading and mathematics.<sup>10</sup>

Lord Young in Enterprise for All notes that '*the most employable skills of all are the three Rs*'.<sup>5</sup> Lord Young adds that enterprise activities including encounters with employers and business can help to motivate young people to learn and excel in their studies and to see the relevance of their education. Research shows that careers and enterprise activities may actually support higher

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<sup>6</sup> Office for National Statistics (ONS). (2016). UK Labour Market: April 2016 – Unemployment. Available from <http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/april2016#unemployment> [Accessed 8<sup>th</sup> June 2016].

<sup>7</sup> Office for National Statistics (ONS). (2016). UK Labour Market: April 2016 – Vacancies. Available from <http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/april2016#vacancies> [Accessed 8<sup>th</sup> June 2016].

<sup>8</sup> Vivian, D., Winterbotham, M., Shury, J., Skone James, A., Huntley Hewitt, J., Tweddle, M., Downing, C., Thornton, A., Sutton, R., Stanfield, C. and Leach, A. (2016). *Employer Skills Survey 2015*. London: UKCES.

<sup>9</sup> CBI and Pearson (2015). *Inspiring Growth: CBI and Pearson Education and Skills Survey 2015*. London: Pearson.

<sup>10</sup> Department for Education. (2016). Written Evidence Submitted by the Department of Education. Available from <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/education-committee/purpose-and-quality-of-education-in-england/written/27684.pdf> [Accessed 8th June 2016].

attainment as they engage people in learning and provide motivation.<sup>11</sup> The DfE emphasises the role of education in endowing young people with '*resilience and the character to overcome challenges*' in order for them to secure a good job and fulfilling career.<sup>10</sup> The CBI/Pearson Education and Skills survey found that '*by far the most important factors employers weigh up when recruiting school and college leavers are attitudes (85%) and aptitudes (58%)*'.<sup>9</sup>

## 5. Who should be responsible for ensuring that young people develop soft, financial and entrepreneurial skills?

There is a shared responsibility by schools, employers and national bodies to ensure that young people develop soft, financial and entrepreneurial skills. The Company has been developed as a strategic umbrella body to bring co-ordination to the different stakeholders working in what can be a complicated landscape of careers and enterprise services.

There is plenty of engagement across education and business but also recognition that more can be done. 82% of teachers think young people need better guidance; while among employers, 60% of businesses tell the CBI that school-leavers lacked the skills to succeed in the workplace.

In section 3 the benefits that accrue to young people from employer encounters were noted. Yet today young people have this kind of meaningful encounter with an employer each year in only 39% of schools. There are three core reasons for this which the Company has been established to address:

1. Coverage is inconsistent: some geographies and schools receive significant support and others receive much less. In particular, we know that schools and colleges in more SME dominated environments can struggle to make employer connections
2. The evidence base is not well enough developed or disseminated: schools and colleges do not always know what activities make the most difference and where to focus precious time
3. It is currently hard to bridge different working patterns, language and timetables between schools and employers

The Company has been set up to 'join the dots' in today's fragmented and inconsistent careers and enterprise environment. The Company exists to enable employers, schools, colleges and careers and enterprise providers to work more effectively together to achieve better outcomes for young people. It will achieve this by launching a set of targeted, evidence-based interventions to build regional networks, scale up proven 'best practice' approaches, enable collaboration and improve information flows. This approach of partnership working and 'building on what works' will allow the Company to galvanise the

<sup>11</sup> Hooley, T., Matheson, J. and Watts, A.G. (2014). *Advancing Ambitions: The Role of Career Guidance in Supporting Social Mobility*. London: Sutton Trust.

significant capacity that exists in the system, amplifying impact relative to its size. All of its work is guided by four key principles:

1. Test, learn and adapt
2. Build on what works
3. Work nationally, tailor locally
4. Enable and convene the best programmes

To address the practical challenge of linking the worlds of education and employment The Company launched a nationwide network of Enterprise Advisers in partnership with the Local Enterprise Partnerships.

(<https://www.careersandenterprise.co.uk/enterprise-advisers> ). The Company has created the Enterprise Adviser network to bring together volunteers from the world of work, to work with the senior leadership teams of schools and colleges to develop employer engagement programmes. Example profiles of Enterprise Advisers include HR Directors from large corporates or CEOs of small local businesses. Clusters of 20 schools and colleges are supported by Enterprise Coordinators, full time paid employees co-funded by the Local Enterprise Partnership and The Company. These Enterprise Coordinators are responsible for understanding the local labour market, local business connections and the range of careers and enterprise services available to the local school or college. The Local Enterprise Partnership is responsible for establishing broad-based governance for this network comprised of employers, providers and education leaders. The Enterprise Adviser network was launched in September 2015. By March 2015, 36 out of the 39 Local Enterprise Partnerships had gone live within the Enterprise Adviser network.

To address the question of 'what works' The Company has undertaken a piece of work to identify the range of activities employers can conduct with schools and colleges and the evidence base behind each. This work is part of The Company's Enterprise Adviser toolkit and the full research will be published this summer.

To fill gaps and improve coverage, The Company announced in March 2016, the 33 beneficiaries of its £5 million Careers & Enterprise Fund. The fund builds on 'what works' by scaling up proven programmes with track records and is focused on areas most in need with 75% of funding targeted in 'Cold Spot' areas. A total of £9.5million funding will be deployed (including £4m in match) and just under 250,000 young people will benefit.

## **6. Do education providers have the resources to prepare young people for the workforce?**

There is strong evidence that where schools and colleges prioritise careers and enterprise activities they can deliver high quality programmes which are effective in preparing young people for their futures. Research funded by the DfE revealed that there was a wide range of practice in this field across all types of

institutions.<sup>12</sup> It is also possible to find numerous case studies of schools and colleges which deliver quality careers provision.<sup>11</sup> However, it is clear that at the present this is not the majority experience and that careers provision is both patchy and patterned by socio-economic disadvantage.<sup>13</sup>

To identify gaps in provision, The Company published in October 2015 its 'Cold Spot' research: an analysis that distils key prioritisation indicators of deprivation, employer engagement and outcomes for young people (including GCSE/ A-level attainment, apprenticeships, NEETs and employers' view about school-leavers' preparedness for work) at the LEP and local authority level to identify areas of regional careers and enterprise need to help prioritise activity.

The Company is also working to clarify our understanding of what the current balance between those schools which are delivering high quality careers and enterprise provision and those that are not. The Company – in collaboration with the Gatsby Foundation – is currently developing *Compass* a tool that schools can use to self-assess their progress against the 8 Gatsby Benchmarks. A beta version of the tool will launch in June with the final tool available to schools in September.

## **7. What examples are there of schools and colleges preparing young people well for the workforce?**

Since the Careers and Enterprise Company's inception one year ago we have witnessed many examples of schools and colleges preparing young people well for the workforce.

Through the Enterprise Adviser Network schools like Northampton Academy are engaging and benefitting from the network to strengthen its connections with employers and the local economy. [www.careersandenterprise.co.uk/enterprise-adviser-network](http://www.careersandenterprise.co.uk/enterprise-adviser-network)

In March members of the Company visited Stratford Upon Avon School<sup>14</sup>. This academy sees careers education as key to engaging, enthusing and inspiring its students. Careers education is well resourced with a full time Careers Manager, 6<sup>th</sup> form Activities Coordinator, and Independent Careers Mentor contracted through the service *In2Ambition*, and a Warwickshire funded CareerHub coordinator. Careers is very much embedded into the curriculum, where the school has developed a range of resources. This includes a database of *icould*<sup>15</sup> videos showcasing different careers that are relevant to specific parts of the curriculum. For example, in Biology when learning about drugs and antibiotics students can be shown a case study video on pathways to becoming a pharmacist.

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<sup>12</sup> Gibson, S., Oliver, L., Dennison, M. (2015). *Mapping Careers Provision in Schools and Colleges in England*. London: Department for Education.

<sup>13</sup> Archer, L. and Moote, J. (2016). *Aspires 2 Project Spotlight: Year 11 Students Views of Career Education and Work Experience*. London: Kings College London.

<sup>14</sup> See <http://www.stratforduponavonschool.com/>.

<sup>15</sup> See <http://icould.com/>.

The school recently took part in a mentoring pilot through the Bridge Builders mentoring scheme.<sup>16</sup> Three professionals from a local branch of Enterprise Rentacar received extensive training and met with 8 students for 1 hour a month for a 10-month period. The school reports positive effects from providing role models to students in this way.

Stratford Upon Avon School is a very good example of a school which is delivering high quality careers and enterprise activities. The school is not unique and we have found many excellent schools such as this across the country. However, there is a need to spread this practice and to ensure that this becomes the norm rather than the exception.

## **8. What examples are there of employer-led initiatives that have had an impact?**

One example of a way that the Company has worked to support employers to lead activities in schools has been through the launch of the £5million Careers and Enterprise Fund. 33 beneficiaries were awarded grants, 75% of which went to areas that the Company identified as cold spots.<sup>17</sup> The organisations were awarded funding based on their track record of success and the ability to scale up and do more.<sup>18</sup> A key aim of the fund is to increase the number of interactions that young people have with employers while in education. Details about the 33 beneficiaries of the Fund are listed on the Company's website.

In addition, the Company has developed a resource – The Toolkit – to assist its Enterprise Advisor Network with a wide range of materials to enable Enterprise Coordinators and Enterprise Advisers to get up to speed quickly. The toolkit includes an Activity Planner that highlights the range of employer-led activities that businesses can engage with schools. These include illustrative examples of employer-led initiatives such as Barclays Lifeskills, Young Enterprise and National Grid's Educating to a Better Future website<sup>19</sup> which provides a range of resources to build young people's awareness of the importance of STEM skills. This includes both broad based careers and enterprise resources as well as subject based resources which support the embedding of careers and enterprise learning at the heart of the STEM curriculum.

## **9. Other research**

The Careers & Enterprise Company is an evidence led organisation. We have published an analysis of Careers and Enterprise Cold Spots which we have used to prioritise funding and interventions.<sup>17</sup> We have also conducted research on young people's career decision making, on the online careers market and on

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<sup>16</sup> See <http://www.oatprincipals.co.uk/sites/default/files/BridgeBuildersBrochure.pdf>.

<sup>17</sup> Careers & Enterprise Company. (2015). *Prioritisation Indicators*. London: Careers & Enterprise Company.

<sup>18</sup> See <https://www.careersandenterprise.co.uk/fund>.

<sup>19</sup> See <http://www.nationalgrideducation.com/>.

what works in employer engagement and mentoring. We will be publishing these research papers over the next few months and would be happy to share initial findings with the Committee informally to support the inquiry.