

Why We Need Innovation to get Young People Into Work

Jo Casebourne 26 June 2013

Why we need innovation

Few issues have as acute a need for innovation as the jobs market for young people. Around the world, unemployment levels have remained very high for young people since the start of the global recession, although in many countries the increase in youth unemployment started before this. Underemployment also means many young people are working fewer hours than they would like, whilst insecure employment can often mean regularly moving between periods of work and unemployment. There are now fears of a 'lost generation' of young people – shut out of the labour market, increasingly disconnected from work and learning and 'scarred' throughout the course of their working lives due to the experience of unemployment when young.

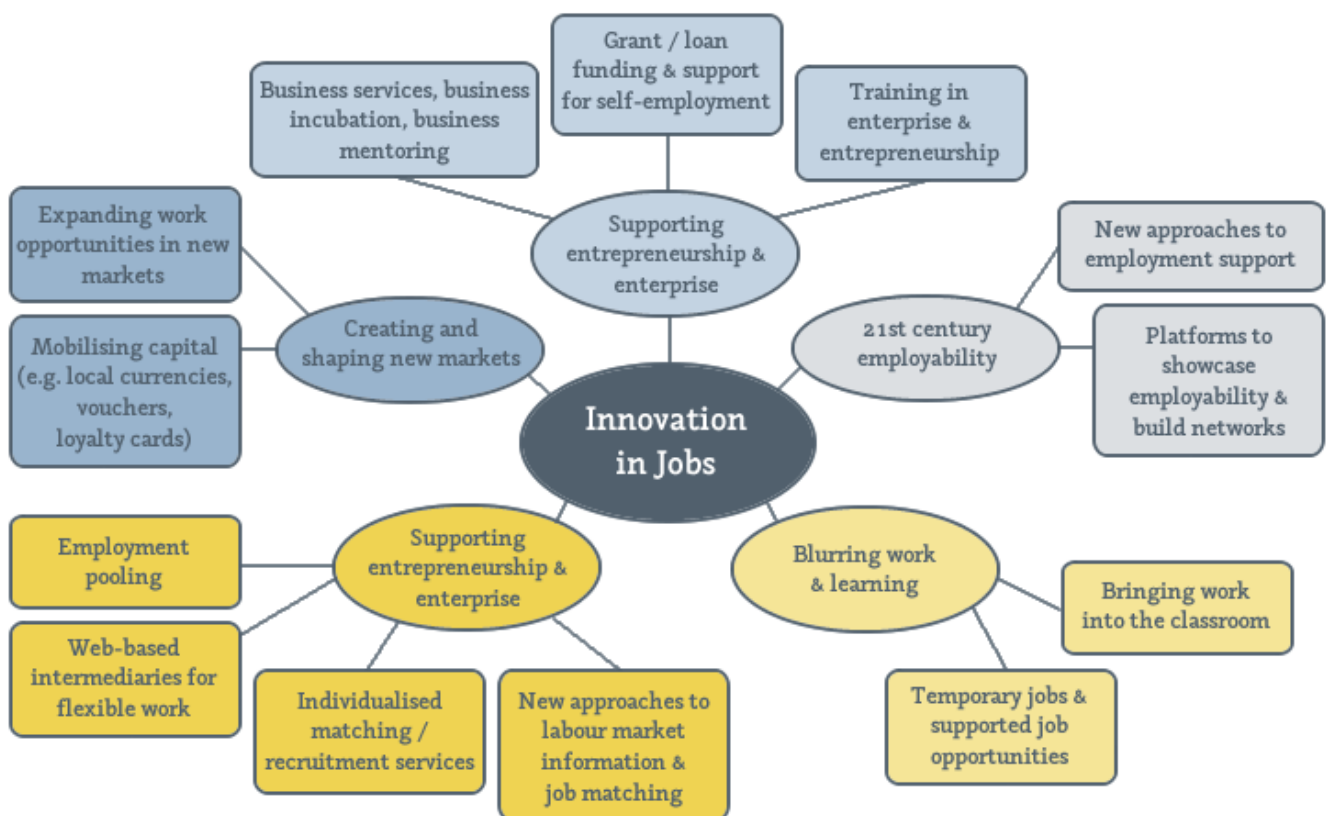
More systematic innovation is clearly needed to get young people into work. Nesta's recent report Making it Work (Casebourne and Coleman 2012) sets out how a more systematic approach could be taken. Since then we have been collecting examples from around the world that give us new ideas on how we can innovate to get young people into work. These are showcased

on www.jobsinnovators.org and some of those particularly relevant to young job seekers are highlighted below.

How jobs innovators can give us new ideas

We have categorised five broad approaches to innovating in the jobs market:

- Creating and shaping new markets
- Supporting entrepreneurship and enterprise
- 21st century employability
- Blurring work and learning
- Intermediaries that improve matching



Creating and shaping new markets

Policies to generate demand on a macro-level have

generally proven ineffective drivers of jobs. However, there is evidence to suggest that complimentary currencies, vouchers, tax incentives and mechanisms to unlock capital may be able to stimulate and concentrate demand in local economies or specific sectors and thus boost work opportunities for young people.

Green For All is an organisation in the United States working to build an inclusive green economy strong enough to lift people out of poverty through new job opportunities. Green For All trains young community leaders to be world-class spokespeople for the clean energy economy; develops business tools for small green enterprises; coordinates the green agenda within workforce development agencies; and advocates on Capitol Hill for green job training for vulnerable communities.

Supporting entrepreneurship and enterprise

With weak demand for employees in the national economy, supporting young people to shape their own jobs and businesses can be a viable alternative.

Technology that lowers barriers to self-employment, social incubators, business accelerators, franchising, employment co-operatives and business mentoring have all been shown to work in certain contexts and have the potential to help out-of-work individuals to make the leap into jobs.

First launched in 2004 and now operating across Scotland and in parts of England, **WorkingRite** places youth in a one-to-one work opportunity away from their peer group; matches each participant with a smaller-scale business,

which guarantees a closer working relationship with the employers; creates a fair deal for the employer in return for their valued commitment; and ensures on-the-job learning instead of in a classroom. For example, young people are paired up for six months with individual construction and other skilled industry tradesmen. Arrangements like this could encourage sole traders to take on a young person.

In France, **Business and employment co-operatives** (BECs) support people to become self-employed in a range of activities through three stages of support. First, people remain technically unemployed but begin to develop their business ideas under the wing of the BEC. Next, if it looks like the idea might be a success, the participant becomes a 'salaried entrepreneur' with the security of a part-time employment contract. Finally, they become a self-sufficient business operator.

21st century employability

Employability has traditionally been thought of as something dealt with in a classroom environment – think literacy lessons, confidence seminars and CV workshops. However, there are models emerging that link the way individuals present themselves as job ready to employers to their use of social media or their integration into professional networks.

Backr is a social network in the UK designed to help people succeed in today's work world. It gives members the inside track by connecting them with people who can help them think through their goals and help develop skills. Members can communicate with people doing the sorts of jobs that members desire; including organisations with interesting paid or voluntary opportunities to offer.

Discoverables is a UK website that helps young people find their skills and strengths, and share them with potential employers. Discoverables uses a game-like approach to help young people develop their key skills and strengths.

Blurring work and learning

With young people feeling the pinch in a depressed labour market, it is clear that bridging the gap between education and employment remains a high priority. There is the potential to innovate around how traditional bridges, such as apprenticeships and internships, are structured, or to borrow from and develop new models such as studio schools.

KidZania is a theme park in 11 locations around the world where children ages four to twelve can role-play adult working lives. KidZania provides children and their parents with a safe, unique and very realistic educational environment that allows kids to do what comes naturally to them: role-playing by mimicking traditionally adult activities. As in the real world, children perform 'jobs' and are either paid for their work (as a fireman, doctor, police officer, journalist, shopkeeper, etc.) or pay to shop or to be entertained. The indoor theme park is a city built to scale for children, complete with buildings, paved streets, vehicles, a functioning economy and recognizable destinations in the form of 'establishments' sponsored and branded by leading local and multinational brands.

Studio Schools are a new type of public school model for 14 to 19 year olds in the UK, designed to support young people in gaining the skills, experiences and key academic qualifications they need to succeed in the career world. First

opened in 2010, Studio Schools are small schools of 300 students, but with year-round operation and a 9–5 working day, they feel more like the workplace than a school. Working closely with local employers, Studio Schools offer a range of academic and vocational qualifications, as well as paid work placements linked directly to employment opportunities in the local area.

Intermediaries that improve matching

The welfare-to-work model of matching, where an adviser sits in front of you and tells you what published job opportunities you need to apply for, is unlikely to be an efficient or successful approach at any time. Models including employer pools, online marketplaces and web-based matching platforms/algorithms can reduce transaction costs and stimulate flexibility in the processes that match individuals to appropriate jobs.

Adapting technology platforms such as US-based **TaskRabbit** to local employment markets is another way of stimulating demand for local services and connecting individuals to work. On the demand side of the partnership are individuals with needs (e.g., assistance with assembling Ikea furniture) who would otherwise not have access to people who can help them, thus creating new demand from supply-side workers who can then select from thousands of tasks available, and work when it is convenient.

Where next for innovation in getting young people into work?

We argue that a number of things should happen to lead

to a step-change in innovation to help get young people into work:

- We call for more **experimentation around ideas**. We need to think differently about how to get young people into work and build experimentation of new ideas into employment programmes designed for young people.
- We also argue for prototyping with much **more intensive measurement and assessment** of what works so that successful models can be scaled up. We need more evidence on whether the promising examples being developed by innovators actually prove successful in getting youth back to work.
- We need better ways of finding the existing **evidence on what works**. A **global learning/knowledge exchange network** would help make the case for sustaining, scaling and diffusing successful innovations in jobs. An international evidence centre could be charged with orchestrating knowledge about emerging approaches worldwide including evidence about what works and ensuring this is provided in forms that are useable by those designing and delivering support for young people. A network to facilitate better dialogue internationally would also be of help to exchange and diffuse ideas.

Dr. Jo Casebourne, Director of Public and Social Innovation, Nesta

Jo is responsible for Nesta's research and policy work on public and social innovation. Current research includes how innovation can be used in redesigning employment and skills systems, the role of complaints as a stimulus of innovation in public services, and oversight of the Alliance for Useful Evidence, co-funded by Nesta, the ESRC and the Big Lottery. She also works closely with Nesta's investments team and practical programmes, scoping new areas of focus and embedding research and evaluation strategies into Nesta's work.

Jo has spent the last 13 years conducting research on welfare-to-work, employment and skills, disadvantaged groups in the labour market and work-life balance issues. Before joining Nesta in November 2011, Jo was Director of Research at the Centre for Economic and Social Inclusion for five years where she led the organisation's research work, conducting high-profile evaluations for central government on welfare-to-work programmes. Prior to that Jo was a Senior Researcher at the Institute for Employment Studies and a Researcher at the Centre for Economic and Social Inclusion.

Jo is extensively published, including 19 major research reports for UK Government Departments and Agencies, the National Audit Office and the Joseph Rowntree Foundation. She has published on subjects

including: employment rights; work-life balance; problems in the delivery of benefits and tax credits; skills initiatives and welfare-to-work programmes and pilots for disadvantaged groups.

Jo has a first-class BA (Hons) from the University of Cambridge, a master of science from the University of London and a PhD from the University of Cambridge. Her PhD compared the Clinton welfare reforms in the US and the UK Labour Government's early welfare reforms in the UK and their effects on work and poverty.

Jo tweets as @jocasebourne, and blogs at http://www.nesta.org.uk/blogs/policy_innovation_blog

REFERENCES

Casebourne, J., and N. Coleman. 2012 Making it work: Tackling worklessness through innovation.