16 November 2006

The economic benefits of career development services

Scoping Study by Access Economics Pty Limited for

The Career Industry Council of Australia

TABLE OF CONTENTS

EXECUTIVE SUMMARY

This scoping study looks at possible areas of research on the economic benefits from career development services. Career development services refer to vocational and educational advice provided by career development practitioners. School-based advice currently dominates career development services, though advice is also provided in universities, TAFEs, via Job Network and related programs, and via private agencies.

The key benefit from career development services is better informed decision-making in education and career choice. That should assist over the longer term in achieving higher workforce participation, lower unemployment (less job search time and less skill mismatch), greater skill development on average (and so higher earnings) and higher career satisfaction. These benefits accrue to the individual, but are also benefits to society as a whole (for example, through the tax/transfer system – higher productivity and participation and lower unemployment translate into higher tax revenues and less welfare payments – with those savings then able to be spent on other things or handed back as tax cuts).

While it makes sense that more informed decision-making should lead to improved labour market outcomes of the kind noted above, proving the case is a more difficult proposition. Thus far in Australia there appears to have been very little research along these lines.

This scoping study outlines potential avenues of research which may be available to help inform on the benefits of career development services:

- A **stocktake of current usage of career development services**, compiling data which may be currently collected on usage of services, what sort of services are being accessed and characteristics of users.
- A **stocktake of performance of career development services**, such as via post-consultation surveys, examining how satisfied people were of the service provided to them. This could also include interrogation of existing career development related questions in the likes of LSAY, Young Visions and other longitudinal datasets.
- A **detailed literature review** of the benefits of career development services, building on the material presented in this paper.
- A **survey-based approach**, preferably via a longitudinal study of users of career development services, to help track longer term outcomes for individuals. The key questions would relate to future employment, wages, further education and career satisfaction. Such a study should contain a well defined target group and a control group. A cost-effective method may be to include questions on career development services as part of other surveys, such as graduate destination surveys and LSAY.
- An **outcomes-based approach using research other than surveys** – key outcomes which career development services are hoping to influence could be monitored over time at a macro level, such as monitoring the average length of job search, levels of job mis-match and measures of skill shortage.
- Finally, any evidence on improved outcomes could be translated into **broader economic benefits** by extrapolating survey results to the broader population of users of career development services if appropriate, and evaluating economic benefits with the assistance of a well specified macroeconomic model.

Terms of reference for future research into the economic benefits of career development services could be developed with these research strands in mind.

1. INTRODUCTION

The Career Industry Council of Australia (CICA) has commissioned Access Economics to prepare this scoping study into the economic benefits of career development services.

Career development services refer to vocational and educational advice provided by career development practitioners. The advice includes career counselling and development of career management skills along with the provision of career information. The advice may be provided to:

- students at school;
- students at TAFEs or universities;
- via Job Network services for those looking to enter or re-enter the labour market;
- via publicly funded Career Information Centres for the general public; and
- via private agencies, often in the form of career counselling or outplacement services paid for by employers.

School-based advice currently dominates career development services. The OECD (2004) reports that, in Australia, 69% of career development practitioners are employed in schools, 12% in further education colleges, 6% in universities, and 12% in other settings.

The term 'career development' is used principally in this report, as this is the term adopted in Australia to encompass the wide range of career development services on offer such as providing career information, career advice, career education, and career counselling. The matching term in the UK is 'career guidance'. In many respects the two terms can be used interchangeably with 'career development' being the preferred term used for this report.

The aim of this scoping study is twofold. First, it aims to outline some of the channels by which career development services may provide benefits to individuals and note areas where there may be research or evidence to support some of these putative benefits. Second, this scoping study aims to identify priorities for further research, both in examining the direct benefits to individuals provided by career development services, and in assessing the potential broader economic benefits which may flow from career development services.

Thus far in Australia there appears to have been very little research along these lines. Internationally, there has been some significant research in the area on the whole, however, some aspects of career development have received comparatively little attention.

Such research is likely to be in line with current priorities expressed in the Council of Australian Governments' (CoAG) Human Capital Agenda. Among CoAG's aims are to:

- increase the proportion of young people making a smooth transition from school to work or further study;
- increase the proportion of adults who have the skills and qualifications needed to enjoy active and productive working lives; and
- improve overall workforce participation, with a particular focus on income support recipients, the mature aged and women.

With development of human capital firmly on the CoAG agenda, it would appear timely to be examining the benefits that career developments services may bring to that goal.

1.1 DEFINING CAREER DEVELOPMENT SERVICES

The term 'career development services' can mean many things to many people. National and international bodies concerned with career development services have attempted to better define the spectrum and reach of services encompassed by the term.

The Professional Standards for Australian Career Development Practitioners notes:

> *Career development practitioners work in a range of occupations in a range of settings and provide a wide variety of services to a diverse client group. For example, career development practitioners may deliver services in settings as diverse as schools, TAFE, universities, business organisations, government agencies and private practice in a range of formats including one-to-one, small groups, via the web, large classes and self-help materials. Such services may include career counselling, career education, job placement, employment services, recruitment, career coaching, training, mentoring and coordinating work experience or internships. This diversity of career development practice is reflected in the constituencies of the member associations of CICA.*

The OECD defines career development services as:

> *services intended to assist individuals, of any age and at any point throughout their lives, to make educational, training and occupational choices and to manage their careers. These may include services in schools, in universities and colleges, in training institutions, in public employment services, in companies, in the voluntary/community sector and in the private sector. The services may be on an individual or group basis, and may be face-to-face or at a distance (including helplines and web-based services). They include career information (in print, ICT-based and other forms), assessment and self-assessment tools, counselling interviews, career education and career management programmes, taster programmes, work search programmes, and transition services.*

The Canadian national body for determining career development guidelines and standards concurs. This group has identified the term career development practitioner as:

> *an umbrella term that refers to any direct service provider in the career development field. This includes but is not limited to: career counsellors, employment counsellors, career educators, career information specialists, career management consultants, career practitioners, rehabilitation counsellors, work development officers, employment support workers, work experience coordinators, job developers, placement coordinators, career coaches, and vocational rehabilitation workers. ([Canadian] National Steering Committee for Career Development Guidelines and Standards, 2004).*

2. DIRECT BENEFITS OF CAREER DEVELOPMENT TO INDIVIDUALS

2.1 TYPES OF DIRECT BENEFITS

The use of career development services should provide individuals with:

> *A range of interventions including career education and counselling, that help people to move from a general understanding of life and work to a specific understanding of the realistic learning and work options that are open to them. (Miles Morgan Australia, 2003, p. 12)*

This could include:

- alerting individuals to courses of study which will provide them with skills in areas of current or future skills shortage;
- alerting job seekers to occupations where there are labour shortages;
- strengthening individual's job search techniques;
- motivating those in education and training programs to complete courses; and
- improving the match between an individual's interests and talents and the skills they acquire which in turn is likely to reduce job change and turnover in both education and employment.

The above list is far from exhaustive, but provides an indication of the important benefits that can (and do) accrue from career development services. While such benefits accrue directly to the individual, they also flow through to employers and the broader economy.

2.1.1 BENEFITS OF GOOD INFORMATION

By accessing career development services, individuals access an **informed source of vocational and educational advice**. Good information should lead to better decision-making, and better decision-making in education and career choice should have benefits for the individual and the economy.

The OECD across various reports have noted that part of the wider economic benefits to be had from improved career guidance is in improved individual decision-making and labour market efficiency:

> *As far as individual decisions are concerned, effective guidance can ensure that job search and employment-related decisions are better informed, thereby resulting in a more efficient workforce and greater complementarity between the supply of, and demand for labour. Similarly, decisions relating to learning opportunities are more likely to be appropriate and lead to 'successful' outcomes.*[1]

[1] OECD *Outcomes from Career information and career guidance services*, January 2003.

This largely rests upon the value of information in improving labour market transparency and flexibility. It also rests upon higher allocative efficiency as the result of a better match between individual talents and qualifications on the one hand and the skills and qualifications demanded by employers on the other.[2]

2.1.2 LOWER RISK OF UNEMPLOYMENT

Being better prepared for the labour market through knowledge of current conditions and opportunities, and an understanding of one's own career direction should generally help to lower the risk of both unemployment and underemployment (working but would prefer to work more hours).

Individuals can benefit through:

- a reduced period of time in searching for work
- a higher probability of finding suitable work (and that work being in an area where jobs are available); and
- higher job satisfaction (and higher self esteem) from working in an area aligned with one's career direction.

That component of overall unemployment which is due to a lack of aggregate demand, or to labour market rigidities (such as inflexibility in wages) is difficult for career development services to address. That said, individuals accessing the services, by utilising an informed source of vocational and educational advice, are more likely to place themselves higher in the queue and therefore avoid a poor labour market outcome.

2.1.3 BENEFITS OF SKILLS DEVELOPMENT

Improving career development will, on average, mean raising the skill levels of individuals.

In some cases, career development advice may be to direct individuals towards work rather than further study, or towards lower levels of study (commensurate with the abilities and interests of the individual). But the economy's skill needs are increasing at a rapid rate, so in general greater use of career development services is likely to see an increased level of skill development (with that skill development hopefully targeted towards the areas of greatest emerging need for the economy).

For individuals, skills development pays off via higher salaries, with salaries generally positively correlated with the level of qualifications held. [3]

That is not only true in the short term, but over a longer time horizon also. The higher are a person's skills, the more likely they are to keep participating in the labour force for longer. To the extent that higher skilled jobs tend to be less 'back breaking' and more interesting, it also means that older higher skilled workers are more likely to be willing and able to maintain a connection with the workforce than less skilled workers.

[2] OECD, *Career Guidance and Public Policy: Bridging the Gap*, 2004, p.31.

[3] A multitude of studies can be found in support of this finding including Juhn, Chinhui, Murphy, Kevin M., Pierece, Brooks (2003) which found that between 1963 and 1989, real average weekly wages for the least skilled workers declined by about 5%, whereas wages for the most skilled workers rose by about 40%.

2.2 INFORMATION ON DIRECT BENEFITS

Appendix A includes a brief summary of a number of papers which have examined the benefits provided by career development services.

A recent OECD study has examined literature on these benefits.[4] Most evaluations to date have concentrated on **learning outcomes** – both because it is an appropriate measure to study, as well as a fairly easy one to examine (learning outcomes are immediate and are easy and cheap to measure). The positive impacts of learning outcomes are reported in the majority of studies.

Behavioural outcomes (such as participation in education and training programs) are a second area of focus for studies evaluating careers guidance. Studies of behavioural outcomes require a follow up design to the study which imposes a number of difficulties. Control group studies are particularly difficult to maintain over an extended period of time. There has been little research on **longer term outcomes**, with better longitudinal data needed to enhance our understanding of the potential longer term outcomes.

Among studies of career development services, a large proportion attempt to assess individual evaluations of the career development services they have accessed. Such studies include Beinhart, Smith et al (1997), Bosley, El-Sawad et al (2001), Bysshe and Parson (1999), Hasluck (2000), James (2001), Kileen (1996) and Sims, Nelson et al (2001).

Studies which directly assess demand for career development services are less common than studies analysing other aspects of career development services.

There are likely to be a range of **data sources which provide some information on the extent and usefulness of career development services in Australia**. These would include:

- Records of usage of services at an agency or broader level.
- Post-consultation surveys at an agency or broader level.
- Longitudinal studies which include some questions on career development services as part of tracking cohorts of people.

The latter are likely to be particularly relevant in establishing the level of benefit provided by career development services, in large part because they are likely to contain an effective control group (who did not access the services, or accessed services in a different form).

Access Economics is aware of two such datasets which include information on career development services as part of their surveys – the Longitudinal Survey of Australian Youth (LSAY) conducted by the Australian Council for Educational Research (ACER), and the Young Visions study conducted by the Commonwealth Department of Education, Science and Training (DEST).

The **LSAY Y98 survey**, which has tracked a cohort of students who were in Year 9 in 1998 for every year since then, focuses on paths of future employment and study. Of particular relevance here, it includes questions such as:

[4] OECD (2004a), *Career Guidance and Public Policy: Bridging the Gap*, Paris

- nominating any careers advice which has been received since the previous annual interview, including whether the individual has talked to a careers guidance officer, or attended information sessions; and
- nominating how helpful was information received from the careers guidance officer.

As the LSAY dataset is very detailed and tracks the same cohorts over long periods of time, it is possible to separate the different responses to such questions and track the subsequent labour market and future study performance of those individuals.

The **DEST Young Visions 2003 survey** examined the post-school transitions of school leavers and the experiences of continuing students. The data was collected based on a follow up survey of students who had participated in the Young Visions survey one year earlier in 2002. *Young Visions* surveyed more than 20,000 Year 10, 11 and 12 students across Australia and examined among other things the students' experiences of career education. Differences in responses to such questions can be examined by those who went on to University education, relative to vocational education or work.

2.3 FUTURE RESEARCH OPTIONS

Further research could be undertaken into establishing the direct benefits which are accruing from career development services, in general and by type of service offered.

The immediate outputs of career development services are the number of people using the services and some measure of the usefulness of the services to those people. Career development services are likely to provide more benefit:

- the greater the demand is for the services (a quantity measure); and
- the more satisfied people are with the services provided to them (a quality measure).

Stocktake of current usage of services

An important element of measuring outputs of career development services, as well as the outcomes which would follow, is to undertake a stocktake of data which is currently collected about users of career development services:

- How many people are accessing career development services?
- What sort of services are they accessing? (Ranging from consultations to a pro-active role in seeking new employment to use of published material only).
- What is known about the characteristics of users, such as age, study being undertaken, previous employment etc.?
- How is the information collected and how could it be readily utilised?

Analysis of existing data on users of career development services could then be used to examine issues such as how **many people are using career development services** from the potential pool who can access them (for example a share of the school or tertiary education population), as well as potentially reporting on the characteristics of those people.

In interpreting such output, one would need to look at whether such services were compulsory (in which case the 'demand' for them is less meaningful), and whether spare

capacity existed to provide the services (if there were no spare capacity, then total usage may understate 'demand', though one may possible also be able to examine waiting lists).[5]

While providing some information on direct outputs (who is using the services), such a data stocktake would also be important in establishing the broader outcomes being generated from these services, by allowing results from tailored surveys to be extrapolated to a broader population.

Stocktake of performance of career development services

Surveys of users of career development services could be used to measure the performance of those services in terms of **how satisfied people were of the service provided to them**. This is likely to comprise information from two sources:

- Post-consultation surveys which ask clients for their feedback on the services. These may be undertaken immediately after the service is provided, or more usefully, some period of time afterwards (as perspectives may have changed on how useful the information was).
- Longitudinal studies which include some questions on career development services as part of tracking cohorts of people. Interrogation of the LSAY and Young Visions datasets noted above would be a useful starting point, while there may well also be other sources of information of this kind which may be useful in monitoring the sector.

As well as client satisfaction, these datasets may provide information on **how individuals have fared in the labour market or in further study following their use of career development services**. This forms part of the broader benefits of career developments services as discussed in the next chapter. Where such information is already available via existing datasets it would make sense to collect it as part of a stocktake of existing information sources. Information which is part of a longitudinal study may be particularly useful as there is likely to also be a control group who have not accessed the services.

There may also be surveys of employers or other interested parties (such as teachers) on how well career development services were performing (perhaps as part of a program review).

Literature review

Future research could also include a detailed literature review. This could build on the summary of material shown at Appendix A, including the additional sources listed in Appendix A, though that material is taken from the international experience.

Focusing on any studies to date (or components of broader studies which focus on career development services) from the Australian experience may be most useful as an areas of further investigation.

[5] Note high usage of career development services might imply usefulness but would not necessarily imply they were cost-effective. Students may place a low value on their time, and even though they choose to use such services, the benefit they receive may not necessarily cover the cost of providing the service. Career development services which are paid for by the recipient of the service are less likely to be subject to this problem – the recipient makes a decision to purchase the service knowing the full cost of the service.

3. BROADER BENEFITS OF CAREER DEVELOPMENT TO THE ECONOMY

An informed source of vocational and educational advice can provide individuals with benefits such as reduced risk of unemployment, better job satisfaction and higher pay.

For society as a whole that can place downward pressure on the level of unemployment. It can also translate into two factors which are very important in the current Australian economic debate:

- higher labour force participation; and
- higher productivity.

3.1 TYPES OF BROADER BENEFITS

3.1.1 REDUCING UNEMPLOYMENT

Two forms of unemployment can arise from a degree of mismatch between workers' knowledge and/or skills and the current (and potential future) state of the labour market. Good decision-making in career choices, as encouraged by career development services, should assist in reducing these.

Frictional unemployment exists where there are job vacancies matching the number and skills of the unemployed, yet a lack of adequate information about vacancies disseminated to workers means the right workers are not filling the right vacancies, or that it takes longer than might otherwise be required to fill the vacancies. Career development services could assist in disseminating such information.

The overall number of people who may be seen as 'frictionally' unemployed could be reduced through reducing the average period of time for job search. That suggests that monitoring the average length of time taken to find a job may be an indicator of the broader impacts of career development services.

Structural unemployment occurs where workers' skills are not a good match for the available jobs. In a rapidly growing economy, the labour market cannot always match this pace of change and some workers are sometimes left behind with an outdated skill set. Again, career development services which identify current or looming skills shortages and encourage potential workers to gain skills which are relevant to those parts of the economy which are growing can help alleviate structural unemployment.

The amount of structural unemployment may be measured as the overlap between the number of people seeking work and the number of job vacancies (less an allowance for frictional unemployment). It could also be measured at an occupational level through skilled vacancies or employer demand for temporary migrants to fill vacancies.

Beyond frictional and structural unemployment, the balance of 'other' unemployment could be attributed to a lack of aggregate demand, or labour market rigidities (such as inflexibility in wages), which is difficult for career development services to address.

Career development services could however play a part in reducing a portion of unemployment (frictional unemployment and structural unemployment) if interventions

encouraged those made redundant to improve their qualifications or to seek new types of work in different regions, along with encouraging those in school or other study to adopt a skill set which will be more relevant to future labour market requirements. Career development services could also be used by those in jobs which are 'disappearing' (when the economy is restructuring), before those people become redundant.

Benefits of course would accrue to the individuals affected via higher incomes and higher self-esteem. Yet there are also benefits to society generally from reducing unemployment:

- it increases the productive capacity of the economy;
- those affected are generally contributing to government revenues, rather than drawing on them; and
- less unemployment means potentially less risk of other social problems such as crime, as well as reductions in health care costs (through better engagement of at risk individuals in society).

Those wider benefits to society are why governments and their policies have an incentive to address the underlying reasons for any mismatch between workers' skills and the economy's skill requirements.

3.1.2 HIGHER LABOUR FORCE PARTICIPATION

In general, greater use of career development services is likely to see an increased level of skill development (with that skill development hopefully targeted towards the areas of greatest emerging need for the economy).

Higher labour force participation is one of the benefits of a greater rate of skill development. Higher education increases the wage an individual can command, giving them a stronger incentive to work, and reduces their likelihood of any spells in unemployment. There is ample evidence to suggest that increased educational attainment results in increased labour force participation. [6]

3.1.3 HIGHER PRODUCTIVITY

Higher levels of education mean higher pay for individuals, because the better educated individuals are more productive.

Education has a direct effect on the level of productivity in the economy (and therefore output growth) because it increases the productivity of individuals. [7] A more educated worker is a more productive worker, and investment in education provides a pool of more skilled labour. In addition, some researchers argue that a more skilled workforce is more able to adapt to new technologies in the workplace. This argument puts forth the idea that not only does education increase the *level* of productivity in the economy, it also has an effect on the *growth* of productivity over time. [8]

---

[6] For example, Commonwealth Treasury researchers Kennedy and Hedley (2003) found that lower skilled workers were less likely to participate in the labour force across all ages for both males and females.

[7] For example, Commonwealth Treasury researchers Gruen and Garbutt (2003) noted that productivity growth is strongly related to participation rates and skill levels among workers.

[8] This is a strand of the literature on 'endogenous growth' economic models which attempts to identify the forces underlying multifactor productivity growth rather than applying the traditional assumption of an 'exogenous' parameter.

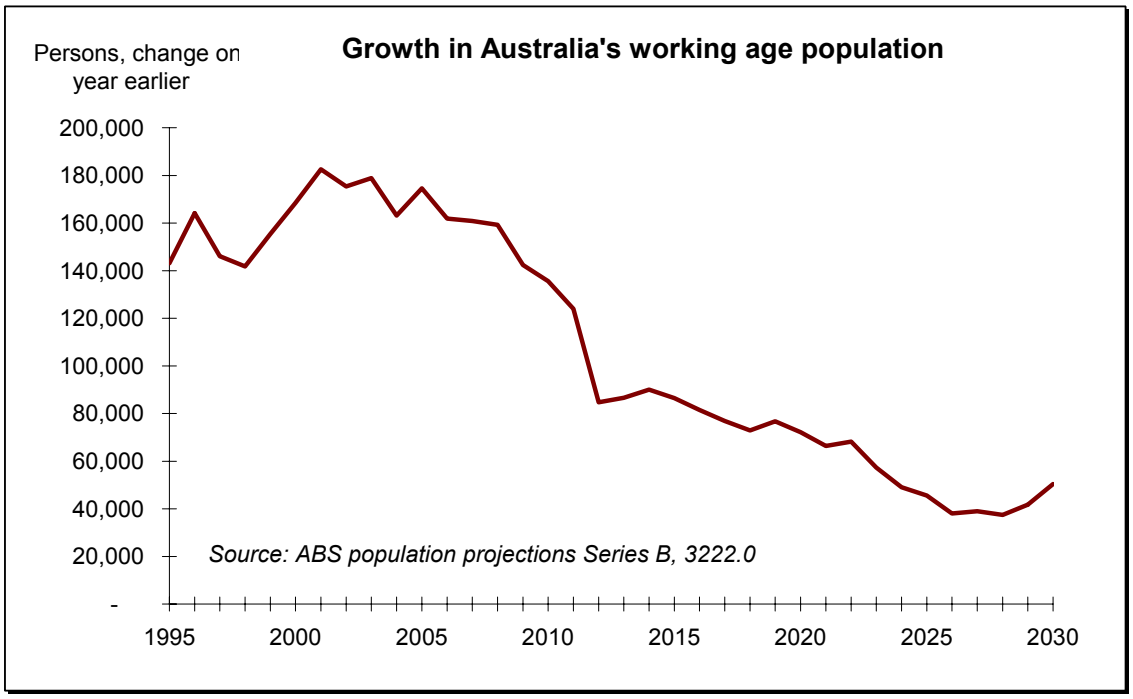
3.2 AUSTRALIA'S DEMOGRAPHICS MAKE THE TASK URGENT

CoAG has expressed an aim to improve the stock of human capital in Australia. CoAG endorsed:

> *A new national reform agenda to **enhance workforce participation and productivity by building the nation's human capital.** This agenda will enable more Australians to realise their potential, and that of the nation. It will have a major impact on the living standards of Australians, and generate significant dividends for the Australian economy. It is an agenda that is both good for people and good for the economy.* (COAG communiqué Feb 2006)

The reason that we need to focus on skills development now is because Australia's demographic make up is leading us towards a destiny of slower growth in living standards over time. Population growth is slowing and, in particular, working-age population growth is slowing as the number of new retirees a year is growing while the number of new entrants to the labour force is stagnant. That means there will be a big increase in numbers of the aged relative to numbers of workers, and a notable fall off in growth of those traditionally seen as being 'of working age' – see Figure 1.

FIGURE 1: THE DEMOGRAPHIC CHALLENGE



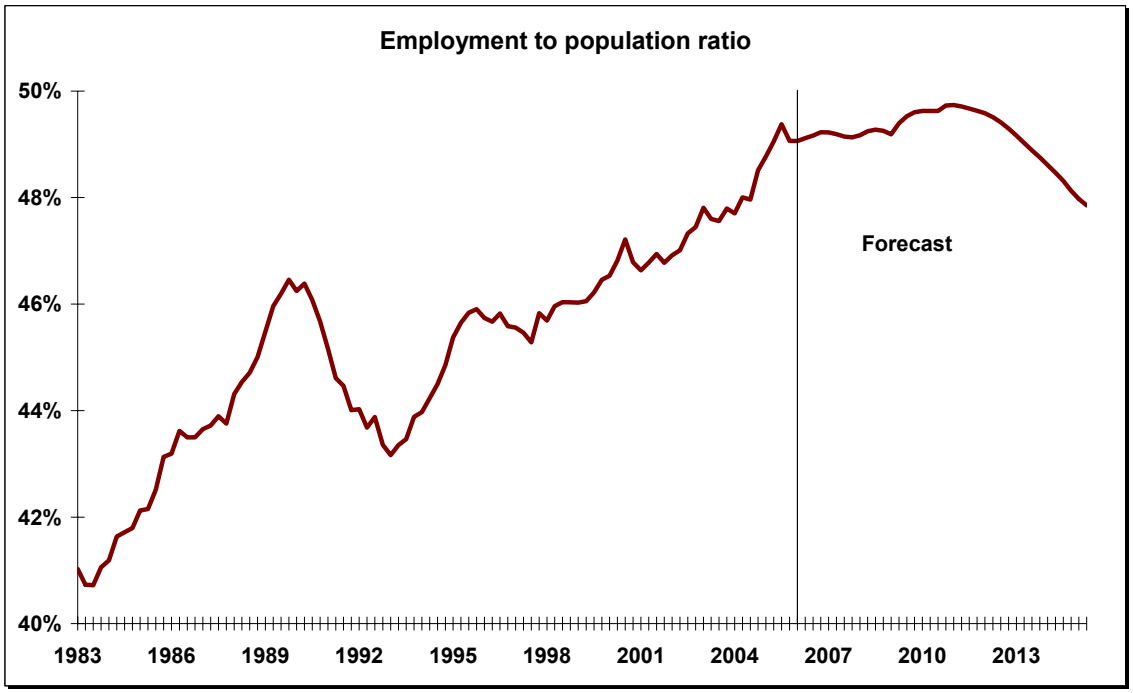
The *Intergenerational Report* prepared by the Australian Treasury in 2002 quantified the impact of ageing on Australian Government Budget outcomes as equivalent to a primary budget deficit of some 5% of GDP by 2042. However, that is a public sector deficit figure – not an estimate of lost output. The bigger picture figure is the impact on national output of ageing. By 2041-42, the figuring in the *Intergenerational Report* implies a reduction in annual national output (compared with where it would otherwise be in the absence of ageing) of 13½%.

Slower growth in the labour force places a speed limit on the economy. One can think of economic growth capacity in terms of 'the 3 Ps':

- **Population** – Those aged 15+.
- **Participation** – The proportion of that population pool who are available to work.
- **Productivity** – How productive each worker is.

The challenges put forward by an ageing population relate mainly to the **participation** component to that equation. As a larger share of Australia's adult population move into retirement, the overall ratio of employment to population is set to fall (see Figure 2).

FIGURE 2: THE SLIPPERY SLOPE



This ratio of total employment to total population is closely linked to the participation rate (the difference is that the above figure removes the unemployed, and allows for those aged under 15). The predicted fall in it explains the reduction in annual national output (compared with where it would otherwise be in the absence of ageing) by 2041-42 of 13½% noted above.

Declining birth rates over recent decades also present challenges on the **population** front. Fewer young workers will enter the workforce over coming decades to replace the growing number of retirees.

Australia's working age population usually grows by an average of around 166,000 people every year. But trends already in place will see the working age population grow by just 190,000 for the entire decade of the 2020s – a tenth of the current pace.

With challenges ahead in two of the '3 Ps', it is clear that **productivity** growth remains a central component of growth in the Australian economy in coming decades. Many comments from the Federal Treasury on adjusting to Australia's ageing trends have focused on the need to lift productivity growth over the longer term.

CoAG has recognised that, to enjoy the same growth in living standards a year that we are enjoying today, productivity growth will need to increase – that means having a higher skilled workforce, and makes career development services aimed at improving study and work choices all the more important.

3.3 FUTURE RESEARCH OPTIONS

The relevant outcomes one would be hoping to measure in examining career development services include:

- rates of labour force participation;
- rates of unemployment;
- earnings;
- levels of study or further education (including monitoring drop-out rates); and
- career satisfaction.

These outcomes in large part benefit the individual affected, but beyond those they also deliver benefits to the broader economy as a whole.

Ideally these outcomes would be measured at different points in time following the period in which career development services are provided, in order to judge whether any change in outcomes is temporary or permanent.

The following outlines some possible approaches to assist in building the case on the broader benefits which can accrue from use of career development services.

3.3.1 SURVEY-BASED APPROACH

The most definitive approach to estimating outcomes for individuals after using career development services is via a longitudinal study of users of the services. The key questions would relate to the main points above – future employment, wages and career satisfaction.

Also of interest would be any further education in related fields in the short term (indicating continuity of career), or further education in different fields (indicating potential career change).

Anyone undertaking such a study would need to be aware that there would be a range of influences which affect individual's labour market and career outcomes over time, of which career development services are but one. Accordingly:

- one would need to have some summary information on the target group being examined, such as previous employment and courses of study or academic ability;
- the study would need a control group of people with similar characteristics who are not accessing career development services; and
- the study should extend for a period of time which covers both the next career choice, and some period of time thereafter, so as to establish if the career choice was a successful one (but not so long that the career development services are no longer relevant to decisions made). Bysshe, S., Hughes, D., & Bowes, L., (2002) recommend a three to five year longitudinal study as optimal for evidence of outcomes (and potential career changes).

Of the surveys reported in Appendix A, Killeen and White (2000) is possibly the best practice example from the literature of a longitudinal study relating to career development services.

That study obtained background information about respondents' personal characteristics, education and training experience, occupation, job satisfaction and their exposure to some form of guidance activity. A matched sample of employed people who had not received guidance was also interviewed, to operate as the control group. Both groups were then followed up some 12 to 15 months later for information about education and training, job satisfaction, earnings and progression, and then again a further eight to ten months later.

A key problem with longitudinal studies is that they require a very long time to wait for evidence on policy issues which are important now, though the issues are likely to still be important when the results come in. Dedicated surveys can also be costly to conduct.

3.3.2 CAREER DEVELOPMENT ANALYSIS AS PART OF OTHER SURVEYS

One means of obtaining some survey based information would be to try to include questions on career development services as part of other surveys which are already conducted. This could be via:

- graduate destination surveys conducted from universities;
- any school leaver destination surveys;
- reviews of labour market programs which include career development advice or career counselling (which was the practice for many of the studies discussed in Appendix A); or
- surveys such as the Longitudinal Survey of Australian Youth (LSAY) conducted by the Australian Council for Educational Research (ACER) or the longitudinal Household, Income and Labour Dynamics in Australia (HILDA) Survey conducted by the Melbourne Institute of Applied Economic and Social Research.

As discussed in Chapter 2, some questions on the use of career development services have already been included in longitudinal studies such as LSAY and the Young Visions study undertaken by DEST. Future research could look to tailor any such questions in these surveys to information priorities on career development, for example, to provide greater detail on the type of services which were accessed (and then linking this detail to outcomes captured within the survey such as labour force status, earnings and job satisfaction).

Answering questions on career development through an existing survey process is likely to provide a natural control group via people who are part of the survey but haven't used career development services (or not to the same extent as others), though the target group may not be specified as well as in a targeted survey and/or survey timing may not be ideal to examine outcomes over both the short and medium term.

3.3.3 NON-SURVEY BASED MEASURES

Another approach to examining outcomes is to look at some key broader economic measures which career development services should assist.

One would not be able to specifically isolate the contribution of career development services to changes in these measures. Rather, career development services are one of a suite of interventions which should help to drive improvements on these measures. Monitoring the

following types of data items could provide performance measures for the outcomes career development services are trying to help achieve[9]:

- drop-out rates for schools, universities, and vocational education (these are a possible proxy reflecting poorly informed study choices);
- job turnover rates (particularly in terms of drop-outs from graduate programmes where individuals have made poor employment or even education choices);
- average length of time for job search, for those leaving school, higher education or changing jobs (as a measure of frictional unemployment);
- the overlap between the number of people seeking work and the number of job vacancies (as a measure of structural unemployment);
- skilled vacancies for particular occupations (as a measure of skill shortage);
- employer demand for temporary migrants by occupation (a measure of skill shortage); and
- labour force participation rates.

Research could monitor these measures either over time or via a cross-sectional analysis, with the cross-sectional study potentially between regions within Australia or across nations. The cross-sectional approach may be able to look at outcomes across different jurisdictions where the level of career development services offered also differed (though it would still be difficult to fully attribute any difference in outcomes to career development services, given the range of other influences which would also be involved).

3.3.4 BROADER ECONOMIC OUTCOMES

The most difficult element of the research agenda is to measure the direct outcomes which accrue from career development services.

Evidence of such benefits can then be translated into broader economic benefits by:

- extrapolating survey results to the broader population of users of career development services if appropriate; and
- evaluating economic benefits with the assistance of a well specified macroeconomic or general equilibrium model.

The key benefits which would be modelled in an economic model are:

- a reduction in higher education drop-out rates, reducing the average cost of delivering education for a given level of benefit;
- increased skill development as a shift up in the average productivity of workers;
- increased labour force participation as a long term supply side boost to the productive capabilities of the economy; and
- reduced unemployment as a further supply side boost.

[9] Note however that these are very broad measures and it would be difficult to attribute changes specifically to career development services.

If information on direct outcomes allowed, the modelling could look at these benefits in terms of specific occupational demand, with larger economy-wide benefits accruing if labour supply can be increased in areas of greatest skill shortage.

The modelling would take into account benefits to government such as higher tax revenues and lower welfare payments from reducing the unemployment rate (with such benefits distributed back to taxpayers as tax cuts among other options).

Such modelling would allow the labour market benefits to be expressed in terms of overall improvement in welfare for the community as a whole. The most commonly used measure of economic welfare is real consumption, which summarises the ability of consumers to purchase goods and services. The change in real GDP over time is also commonly used as a summary measure of economic benefit.

Because some of the potential benefits of career development services are long lasting – such as the higher participation rates of the better educated – the modelling option adopted should be conducted over a longer term timeframe.

3.3.5 DIMENSIONS FOR RESEARCH

In undertaking the research options discussed in this chapter a number of dimensions would need to be considered. These include:

- the types of career development services being examined – those involving a series of face-to-face consultations, more pro-active roles or just accessing published material (with the latter more difficult to track or distinguish from other factors in attributing outcomes)
- the context of career development services eg. school-based (primary, early secondary, late secondary) or adult; clients who are studying/working/unemployed etc.;
- the geographic scope of the research – does it cover a particular institution, region, State or the whole country?;
- the timeline of the research, particularly with reference to longitudinal surveys; and
- the sample size examined for any survey.

4. REFERENCES

ACNielsen (1999) *Research into Outcomes from Career Intervention*. Career Services: Rapuara, New Zealand.

Beinhart, S., and Smith, P. (1997) *National Adult Learning Survey.* Research Series No. 49. London DfEE.

Bosley, S., El-Sawad, A., Hughes, D., Jackson C. and Watts, A. G. (2001) *Guidance and Individual Learning Accounts (ILAs)*. Report. Derby: Centre for Guidance Studies, University of Derby.

Bysshe, S. and Parson, D. (1999) *Evaluation of Learning Direct.* London: DfEE

Bysshe, S., Hughes, D., & Bowes, L., (2002) *The Economic Benefits of Career Guidance: A Review of Current Evidence*, an occasional paper from the Centre for Guidance Studies, University of Derby

COAG, *Human Capital Reform*, Report of the COAG national reform initiative working group, February 2006.

Connor, H., and Dewson, S., with Tyers, C., Eccles, J., Regan, J., and Aston, J. (2001) *Social Class and Higher Education: Issues Affecting Decisions on Partcipation by Lower Social Class Groups:* Sheffield. DFEE.

Department of Education Science and Training (2006), *Shaping the Future: Connection Career development and workforce development,* International Symposium on Career development and public policy

Gardiner, K. (1997) *Bridges from benefit to work: a review.* York: York Publishing Services Ltd.

Grubb, W. N., (2002), *Who am I: The inadequacy of career information in the information age*, OECD

Gruen, D. and Garbutt, M., *The output implications of higher labour force participation*, Treasury Working Paper, October 2003

Hasluck, C. (2000) *The New Deal for Young People: two years on.* Research and Development Report ESR41. Sheffield: Employment Service.

Hughes, D., Bosley, S., Bowes, L., and Bysshe, S. (2002) *The Economic Benefits of Guidance*, Centre for Guidance Studies Report, University of Derby

Jackson, C. Watts, A. G., Hughes, D., Bosley, S. and El-Sawad, A. (2001) *Careers Service Work with Adults: A Survey*. Occasional Paper, Derby:Centre for Guidance Studies, University of Derby.

James, K. (2001) *Prescriptions for Learning: evaluation report.* Leicester: National Institute for Adult Continuing Education.

Juhn, Chinhui, Murphy, Kevin M., Pierece, Brooks "Wage Inequality and the Rise in Returns to Skill", *Journal of Political Economy*, Vol. 101, No. 3 (Jun., 1993), pp. 410-442

Killeen, J. (1996) *Does guidance work? An evaluation of the intermediate outcomes of Gateways to Learning*. London: Department for Education and Employment.

Kennedy, S and Hedley, D, (2003), *A Note on Educational Attainment and Labour Force Participation in Australia*, Treasury Working Paper 2003-03.

Killeen, J. and Maguire, M., (2003) *Outcomes from Career Information and Guidance Services*, National Institute for Careers Education and Counselling, prepared for the OECD.,

Killeen, J. and White M. (2000) *The Impact of Careers Guidance on Adult Employed People*, DfEE, Research Report RR226: Sheffield.

Killeen, J. and White M. (2000) *The Impact of Careers Guidance on Adult Employed People*, DfEE, Research Report RR226: Sheffield.

Mayston, D., *Assessing the Benefits of Career Guidance*, Centre for Guidance Studies, University of York.

Mayston, D. (2002) *Developing a framework for assessing the benefits of Career Guidance*, Discussion Paper No. 8, University of York.

McLeman, P., and Smith, P., The Career Management Initiative at Buckinghamshire Chilterns University College, in Yorke, M., and Stephenson, J., (1998) *Capability and Quality in Higher Education,* London: Kogan Page

McMahon, M., Patton, W., Tatham, P., *Managing Life, Learning and Work in the 21st Century*, Australian Blueprint for Career Development, Miles Morgan Australia

MORI (1996) *Evaluation of ESF Vocational Guidance and Counselling Schemes*. Sheffield: DFEE.

MORI (2001) *Demand for Information, Advice and Guidance.* The Guidance Council: Winchester.

OECD (2004a), *Career Guidance and Public Policy: Bridging the Gap*, OECD

OECD (2004b), *Career Guidance; A Handbook for Policy Makers,* OECD

OECD (2002), *OECD review of career guidance policies*, Australia Country Note, OECD

Park, A. (1994) *Individual Commitment to Learning: Individuals' Attitudes. Report on the quantitative survey*. Research Series No. 32. Employment Department.

Quality and Performance Improvement Dissemination (2001) *Training Older People,* Sheffield: DfEE

Sims, D. Nelson, J., Golden, S. and Spielhofer, T. (2001) *Young people's experiences of the Learning Gateway.* Research Report RR277. London: Department for Education and Skills.

Van Reenen, J., (2001) *No more skivvy schemes? Active labour market policies and the British New Deal for the young unemployed in context*. WP01/09. London: The Institute for Fiscal Studies

Watts, A. G. (1999) The economic and social benefits of guidance, *Education and Vocational Guidance: Bulletin,* 63/1999. International Association for Educational and Vocational Guidance.

APPENDIX A - LITERATURE SUMMARY

This appendix provides a review of the (mostly international) literature which has examined the benefits which accrue from career development services. The focus is more on the methodologies employed in these studies (and less on the results) in order to identify options for possible research in Australia.

A further series of studies (which have not been examined as part of this scoping study but have been suggested as potentially of use for a future research project) are listed at the end of this appendix.

The international literature comes predominantly from the UK, yet also contains studies from the US and countries within our own region.

As an aside, we note that studies which attempt to quantify the benefits of career development services are beset by a range of problems, as identified by Hughes et al (2002):

- There are a wide range of factors which impact on individual career choice and decision-making, and/or which can impact on outcomes.
- Career development is often one of a range of interventions presented to individuals simultaneously.
- The nature and extent of career development can vary considerably from study to study making cross-study comparison very difficult.
- There is also considerable variation in outcome measures and methods for collecting results in studies of career development programs.

There is also difficulty in analysing results in terms of positive and negative effects. For example, a reduction in student drop out from courses may be seen as a positive effect of guidance services. However, consideration must be given to the fact that some students would have left courses to find jobs, thereby making the lower drop out rates ambiguous in terms of impacts.

THE BROAD LITERATURE

A New Zealand (ACNielson) study conducted in 1999 identified soft and hard outcomes of careers guidance, where soft outcomes related to how respondents felt about their career goals while hard outcomes were measures of what they did to achieve these goals. Career intervention was defined in this study as “having attended a career guidance session with a career counsellor”.

This study involved 400 respondents who were followed up for up to a year after the careers guidance. Both qualitative and quantitative interview techniques were used. The study found that 80% of the respondents said that they had made changes relating to work as a result of the careers guidance. Of this group, 28% had entered a job matching their career goals or skills and a further 27% had begun further education or training. Significantly, 86% of the total sample felt that the careers guidance had been influential in their employment decision-making.

The Maguire and Killeen study (2003) discusses the Watts 1999 paper which identified three locations for assessing the outcomes of guidance, each of which has a different timescale

attached to it. These are: the *individual*, where the outcomes which are designated as 'learning outcomes' are immediate, *organisational*, where the outcomes which are designated as 'school effectiveness (for example)' are intermediate; and *societal* where the outcomes which are designated as 'economic benefits and social benefits' are ultimate.

Watts focuses then on four types of outcomes with economic and social benefits being treated separately. Within the category of organisations for which benefits may be derived from guidance, Watts includes employers, as well as schools and other education and training providers. "Retention, productivity and greater efficiency and effectiveness among employees will accrue to employers from suitable guidance activity". (Maguire, Killeen, p4)

The OECD has examined career guidance policies and practices across countries and produced some major reports in this area.

OECD (2004a), *Career Guidance and Public Policy: Bridging the Gap*, Paris

This OECD study acknowledges the difficulties inherent in assessing the efficacy of career guidance in practice. Most evaluations to date have concentrated on **learning outcomes** – both because it is an appropriate measure to study, as well as a fairly easy one to examine (learning outcomes are immediate and are easy and cheap to measure). The positive impacts of learning outcomes are reported in the majority of studies.

Behavioural outcomes (such as participation in education and training programs) are a second area of focus for studies evaluating careers guidance. Studies of behavioural outcomes require a follow up design to the study which imposes a number of difficulties. Control group studies are particularly difficult to maintain over an extended period of time. That said, a limited number of studies have shown positive effects on behaviour, such as improved participation in learning, a reduction in welfare payment receipts and an improved education attainment.

Finally, **longer term outcomes** can be assessed in relation to the effects of guidance. To date the evidence on longer term impacts is very limited. Long term longitudinal studies face a number of challenges meaning accurate and informative data on longer term outcomes of careers guidance is difficult to establish. Better longitudinal data is needed to enhance our understanding of the potential longer term outcomes.

OECD (2004b), *Career guidance – a handbook for policy makers*, Paris

This report by the OECD doesn't look specifically at the economic benefits accruing from career guidance, but may be very useful as part of a benchmarking exercise or inputs-based approach.

The report highlights the lack of adequate labour market information available. While much data on the labour market and areas of skills shortage are collected and known, there appears to be little translation of this information into usable learning material for career guidance. The report also notes that very little career information is designed based on research as to the most effective methods of providing career information.

Chapter 15 of the report assesses the effectiveness of career guidance. It notes that few governments today have the data available to provide an overall perspective on career guidance provision and assess how well it is matching public policy objectives. Where data

is collected, the tendency is to focus on simple quantitative indicators (such as the number of users interviewed by guidance services, success rates in job placements by public employment services) rather than more policy-relevant indicators such as client satisfaction or improved career decision making skills.

Despite a strong research tradition in the career guidance field, there are few researchers and specialised research centres specifically addressing methodological and other issues related to the generation of a sound evidence base with direct policy relevance. The little research that exists remains fragmented and is not cumulative in nature. Even where an evidence base is being built up, the link between such data and the policy making process is often tenuous.

CENTRE FOR GUIDANCE STUDIES REVIEW

A 2002 study prepared for the Centre for Guidance Studies in the UK entitled "The economic benefits of guidance" was undertaken by Hughes, Bosley, Bowes and Bysshe. It aimed to review the literature and weigh up the evidence in support of the benefits of career guidance. The study found that there were three types of evidence available:

- opinion studies,
- outcome measurement studies with no or very weak counterfactuals, and
- controlled studies.

This study analyses the evidence found in the literature to support the benefits of career guidance accruing through motivational and attitudinal change, learning outcomes, participation in learning, student retention and achievement, job search/ reduced unemployment, increased employment/ improved employer satisfaction and broader economy-wide benefits.

A selection of the studies analysed in the Hughes, Bosley, Bowes and Bysshe paper follows. These are sorted alphabetically by author.

> Beinhart, S., and Smith, P. (1997) *National Adult Learning Survey.* Research Series No. 49. London DfEE.

The focus of the National Adult Learning Study (NALS) was to gather data from 5,653 adults (aged between 16 and 69 years old) about their participation in, and attitudes towards, taught and non-taught learning in the three years prior to the survey. Both vocational and non-vocational learning were included, questions about advice and guidance were included.

This study highlighted the difficulties in evaluating guidance when no distinction is made between different aspects of information, advice and in-depth guidance or between guidance providers.

> Bosley, S., El-Sawad, A., Hughes, D., Jackson C. and Watts, A. G. (2001) *Guidance and Individual Learning Accounts (ILAs)*. Report. Derby: Centre for Guidance Studies, University of Derby.

This report was based on the case studies of three pilot ILAs (Individual Learning Accounts), an employee development scheme and a careers service with good links with the TEC and

local businesses. Some 25 learners were interviewed. The study was conducted prior to the national launch of the ILAs.

Researchers had difficulty in gathering data because two of the ILA pilots had not focused specifically on guidance or on other forms of help to learners. Data had not been collected from learners or not collated; learners' progress had not been tracked and evaluation of guidance had not been built into the design of the pilots.

The direct evidence available from this study is limited because of the absence of data about guidance. The report highlights the need to include mechanisms for collecting relevant data in order to evaluate the effects of guidance.

Bysshe, S. and Parson, D. (1999) *Evaluation of Learning Direct.* London: DfEE

This study evaluates *Learning Direct* (now *learndirect*) in its first year of operation. Methods used in the study included a baseline survey of 6,000 users and a follow-up survey of those who had responded to the first survey.

Individuals associate attitudinal, learning and economic benefits with guidance. The characteristics and views of over half of the callers who did not respond to the baseline survey and over half of those in the baseline study who did not respond to the follow up are unknown. It is also unclear whether respondents would have taken the action they did without *Learning Direct*.

Connor, H., and Dewson, S., with Tyers, C., Eccles, J., Regan, J., and Aston, J. (2001) *Social Class and Higher Education: Issues Affecting Decisions on Participation by Lower Social Class Groups*: Sheffield. DFEE.

This study was commissioned by the UK Department for Education and Employment to explore the factors that influence the decisions of individuals from lower socioeconomic groups to participate in higher education. The study was designed to build on previous research that suggests that educational factors, family background and perceptions of costs have the greatest impact on the decision-making process. A total of 223 potential students from 20 schools and colleges took part in focus groups. A further 1,600 undergraduates from 14 institutions in England and Wales returned a postal questionnaire, while 20 respondents took part in follow up interviews. Finally, 112 individuals from lower social class groups who had decided not participate in higher education were also interviewed over the telephone.

It was found that a wide range of factors influence the decision to go to university including: potential career prospects, earnings and job security, the desire for self-improvement, financial concerns, the necessity to work while studying, academic pressures and gaining the entry requirements. Advice and guidance was found to be an important influence, with some students reporting a lack of adequate information.

Gardiner, K. (1997) *Bridges from benefit to work: a review.* York: York Publishing Services Ltd.

This research was funded by the Joseph Rowntree Foundation. The aim of the research – coming as it did at the time of the advent of the then incoming UK Labour Government – was to take stock of what had been learnt from prior experience of welfare to work programmes,

and in particular to consider evidence arising from programme evaluation. The area of research that is most relevant to guidance relates to the assessment of the relative effectiveness of job-search programmes.

The review indicates that pilots and evaluations of welfare to work measures are expensive to undertake, but provide crucial information. It argues that if these costs are to be justified there is a need for a greater integration into the policy-making process, and a requirement to standardise methodologies and data collection. In particular, efforts should be made to record systematically short and longer-term impacts in a form that enables meta-analysis.

Hasluck, C. (2000a) *The New Deal for Young People: two years on.* Research and Development Report ESR41. Sheffield: Employment Service.

This report provides an overview of the NDYP evaluation programme and covers the Pathfinder period (January 1998 to April 1998) and national programme from April 1998 to November 1999. Data sources include the New Deal Evaluation Database, qualitative and quantitative research with individuals and employers, and case studies.

Jackson, C. Watts, A. G., Hughes, D., Bosley, S. and El-Sawad, A. (2001) *Careers Service Work with Adults: A Survey*. Occasional Paper, Derby:Centre for Guidance Studies, University of Derby.

This study was based on a postal survey of 45 (67%) careers service companies (CSCs) in England. The report suggests that individuals believe that guidance may help them to find paid work and more appropriate work. However, findings are based on the perceptions of guidance workers not on clients. CSCs appeared to have limited evidence of effectiveness of their work with adults. It is not possible to assess employers' views of the benefits of guidance from this study.

James, K. (2001) *Prescriptions for Learning: evaluation report.* Leicester: National Institute for Adult Continuing Education.

For the "Prescriptions for Learning" project a learning adviser was based in health care centres to help patients identify learning opportunities and to provide on-going support during any learning they undertook. The evaluation was conducted in the early stages of the project, but covered the role of the learning adviser in the project in some detail. Views were gathered from some healthcare staff and from 19 of the 46 individuals who had received guidance from the learning adviser.

The report suggested that further evaluation of this and similar projects may provide more specific evidence, from larger sample groups and over a longer time frame.

Killeen, J. (1996b) *Does guidance work? An evaluation of the intermediate outcomes of Gateways to Learning*. London: Department for Education and Employment.

Guidance services were provided through the Learning Gateway[10] to help unemployed adults find suitable education and training as a step towards gaining work. During the year following guidance the experiences of over 800 Gateway clients were compared with those of an equivalent number of similar people who did not use the Gateway. Data was gathered first by interviewing research participants and at a later date by postal survey.

The author of the report draws attention to different interpretations of data, to the potential flaws in design and the unreliable nature of retrospective perceptions of the effects of guidance.

Killeen, J. and White M. (2000) *The Impact of Careers Guidance on Adult Employed People*, DfEE, Research Report RR226: Sheffield.

The aim of this study was to provide a rigorous evaluation of the net impacts of guidance on adult employed people, with particular emphasis on economic outcomes. The focus was on publicly available (usually free or subsidised) guidance services being provided to currently employed people, and specifically excluded guidance which was based within – or given by – the individual's employers. The services considered included a personal interview with a guidance practitioner/counsellor (94% of cases), or talking to an adviser in a group (6%), and in many cases other inputs (e.g. taking skills and interest tests 26%, using a computer to get information/help 45%, and using leaflets/books 55%).

In total some 2,700 guidance clients were approached, and, of them 1,612 responded (about a 60% response rate). The research cautions that, like most evaluation studies, the results can not be directly generalised, and that as usual, the study uses volunteers who may have untypical characteristics.

Postal questionnaires or telephone interviews were administered to a sample of adults two to three months after they had experienced some form of guidance intervention. The emphasis was on obtaining background information about their personal characteristics, education and training experience, occupation, job satisfaction and their exposure to some form of guidance activity. A matched sample of employed people who has not received guidance was also interviewed, as the control group. Both groups were then followed up some 12 to 15 months later and information fathered about education and training, job satisfaction, earnings and progression. A further follow up was conducted eight to ten months later. This meant that there was a longitudinal element to the study which enabled the impact of guidance interventions, in terms of both learning and employment outcomes and shifts in aspirations and attitudes to be assessed.

In addition it adds – mainly because of attrition in the in the research group – at some point research findings are reported as significant at a 90% confidence level, less than the 95% 'gold standard' in statistical analysis. However, the report added that:

- the sample group constituted a large fraction of all the adult employed people receiving publicly funded careers guidance in 1997;
- the methods of matching (against non-users) provide a robust basis for evaluation;
- overall, these considerations should increase confidence in the research findings.

[10] The UK's *New Deal* policy includes a 4-month 'Gateway' period during which young people receive extensive help with job search from a Personal Adviser.

The research indicated that conclusive research on issues such as earnings would need research with larger samples than were available for this study.

It indicated that there is a 'chicken and egg' problem here, for only when there are larger scale guidance services in place, will the necessary sample sizes be available to assess the relative economic effectiveness of different models of provision.

McLeman, P., and Smith, P., *The Career Management Initiative at Buckinghamshire Chilterns University College*, in Yorke, M., and Stephenson, J., (1998) *Capability and Quality in Higher Education,* London: Kogan Page

The Career Management Initiative was introduced to help graduates maximise their chances of success in the employment market. A Steering Group was established including representatives from the faculties, careers guidance staff and employers.

The Teaching Quality Assessment demonstrated that students had gained valuable transferable skills as well as subject knowledge through their degree course, but many were not aware that they had done so and were therefore not in a position to make best use of these skills in their subsequent careers.

There was therefore a clear rationale for the introduction of the Career Management Initiative to raise skills awareness, awareness of opportunities, and to help to develop job searching skills including those related to the application and selection process. 35 final year social sciences students participated in the pilot. The pilot consisted of 4 workshop sessions held on Wednesday afternoons throughout the first semester during the 1996-97 academic year.

MORI (2001) *Demand for Information, Advice and Guidance*. The Guidance Council: Winchester.

This research was commissioned by the Guidance Council to explore the expectations of, and demand for, information, advice and guidance (IAG) about opportunities for learning and work. Following a literature review and pilot study, the researchers interviewed 1,000 general population working-age adults aged 16-65 in 61 enumeration districts in September and October 2000. 300 users of guidance were subsequently interviewed by telephone in October 2000.

The study canvassed the issues of attitudes towards IAG among the sample population. It also investigated the propensity to seek IAG about education, training and work opportunities during the past year. It also assessed which were the most and least common sources of IAG for the sample. Finally, the satisfaction of the respondent with the IAG they had received over the past year was recorded.

MORI (1996) *Evaluation of ESF Vocational Guidance and Counselling Schemes*. Sheffield: DFEE.

This research project undertook evaluation research with 300 providers of 'Choices and Access' Schemes which were co-funded by the European Social Fund (ESF) in 1994. Projects which secured funding were managed by a range of public, and some private sector bodies, including Training and Enterprise Companies (TECs), voluntary bodies,

further/higher education institutions, local authorities, and provided guidance, counselling and/or job-search support which was aimed to help recipients enter jobs and/or training.

The evidence in the report was primarily obtained on a self-report basis with some validation from other sources. However, the report does provide some evidence about the stated effectiveness of these projects with challenging client groups.

Park, A. (1994) *Individual Commitment to Learning: Individuals' Attitudes. Report on the quantitative survey*. Research Series No. 32. Employment Department.

The report contains the findings of the SCPR 'Survey of Individual Attitudes to Lifetime Learning', which sought to increase understanding of different attitudes towards learning, to identify barriers to learning, and to examine the impact which the removal of these barriers would have upon take up of learning. The research included a range of questions about awareness of sources of information/advice, about experience of advice/guidance services. The survey was based on 1403 interviews with respondents aged between 16 and 54, with a net response rate of some 67%. The larger age groups in the sample were as follows: 14%, 25-29; 26%, 30-39; 27%, 40-49.

Over 51% of those respondents who had completed full-time education stated that it was unlikely that they would do any vocational learning in the next two or three years. 73% of likely future learners were either learning at the time of learning, or had done some vocational learning in the three years prior to the interview.

The potential role of enhanced information, advice and guidance services (including addressing perceived barriers such as cost) in addressing this issue was not explored by the research.

Quality and Performance Improvement Dissemination (2001) *Training Older People,* Sheffield: DfEE

This QPID study aimed to investigate the use and experience of Work Based Learning for Adults (WBLA), Programme Centres and Work Trials by people aged over 50, and the factors associated with participation, achievement and successful placement. Alongside a review of statistical and management information, the qualitative research included interviews with 180 programme participants over 50, as well as with 104 staff in seven TEC areas.

Staff interviewed at training providers, Jobcentres, and Programme Centres regarded 'success' as a job or qualification, and/or qualitative improvements in regard to clients' increased motivation/confidence, coping skills, access to a network of support, or broadening of occupational horizons.

The research recommends that Employment Service consider undertaking further research into the costs and benefits of providing a limited follow-up support service for Programme Centre leavers who may need some help at first to stay in employment.

Sims, D. Nelson, J., Golden, S. and Spielhofer, T. (2001) *Young people's experiences of the Learning Gateway.* Research Report RR277. London: Department for Education and Skills.

This is study investigated young people's experiences of the UK's Learning Gateway. Gateway clients are supported by a Personal Adviser (PA) and progress to Life Skills courses or mainstream learning and employment.

Data was collected using qualitative interviews/discussions with 152 young people aged 16-18, and interviews with eight careers service managers and 17 Personal Advisers.

Findings reflect other studies of the role of PAs in government initiatives. It may not be appropriate to compare this level of support and provided to this particular group with guidance afforded to other groups and at different levels of intensity. It is difficult to assess how many young people identified the benefits listed in the absence of quantitative data and limited qualitative descriptors (e.g. many, some, a few) are included.

Van Reenen, J., (2001) *No more skivvy schemes? Active labour market policies and the British New Deal for the young unemployed in context*. WP01/09. London: The Institute for Fiscal Studies

This quantitative study explores the success of the UK's New Deal for Young People in moving participants into employment. Economic benefits of the programme are highlighted. During the pilot period young people on the New Deal were compared with those who were not and thereafter New Deal participants were compared with 25-30 year-olds who had been unemployed an equivalent period. Data on the flow into employment of 5% of those claiming employment-related benefits were used as the basis of the study.

The New Deal includes a 4-month 'Gateway' period during which young people receive extensive help with job search from a Personal Adviser. Overall participants in New Deal were estimated as 20% more likely to find jobs each month. The job assistance element (as opposed to the job subsidy element) accounted for between 5.3% and 8.15% of flow into employment. Social benefits were estimated at between £25m and £50m, excluding more indirect benefits such as social inclusion effects, the redistribution of wealth from older taxpayers to young unemployed, and enhanced employability and productivity. Job assistance was identified as the most cost effective element of the programme and was estimated as increasing steady state employment by about 8,000.

Studies of similar schemes are reviewed in this paper. This detailed, rigorous study includes an examination of methodological and analytical flaws. An extensive bibliography covers US, European and UK studies.

ADDITIONAL STUDIES

This section lists a further series of studies which have not been examined as part of this scoping study, but have been suggested as potentially of use for a future research project.

These studies include:

- Killeen, J., White, M. & Watts, A.G. (1992). *The Economic Value of Careers Guidance.* London: Policy Studies Institute.
- Jarvis, P.S. (2003). *Career Management Paradigm Shift: Prosperity for Citizens, Windfalls for Governments.* Memramcook, Canada: National Life/Work Centre.
- Hughes, D.M. (2004). *Investing in Career: Prosperity for Citizens, Windfalls for Government.* Leicester: The Guidance Council.

- Tyers, C. & Sinclair, A. (2005). *Intermediate Impacts of Advice and Guidance.* RR638. London: Department for Education and Skills.
- The series of evaluation studies of careers education and guidance in schools conducted by Marion Morris and others at the National Foundation for Educational Research.
- Spokane, A.R. & Oliver, L.W. (1983). The outcomes of vocational intervention. In Walsh, W.B. & Osipow, S.H. (eds.): *Handbook of Vocational Psychology*, Vol. 2, 99-136. Hillsdale, NJ: Erlbaum.
- Oliver, L.W. & Spokane, A.R. (1988). Career-intervention outcomes: what contributes to client gain? *Journal of Counseling Psychology*, 35(4), 447-462.
- Evans, J.H. & Burck, H.D. (1992). The effects of career education interventions on academic achievement: a meta-analysis. *Journal of Counseling and Development, 71,* 63-68.
- Whiston, S.C., Sexton, T.L. & Lasoff, D.L. (1998). Career-intervention outcome: a replication and extension of Oliver and Spokane. *Journal of Counseling Pychology*, 45, 150-165.
- Brown, S.D. & Ryan Krane, N.E. (2000). Four (or five) sessions and a cloud of dust: old assumptions and new observations about career counseling. In Brown, S.D. & Lent, R.W. (eds.): *Handbook of Counseling Psychology* (3rd edition), 740-766. New York: Wiley.
- Whiston, S.C. (2002). Application of the principles: career counseling and interventions. *The Counseling Psychologist*, 30, 218-237.
- Whiston, S.C., Brecheisen, B.K. & Stephens, J. (2003). Does treatment modality affect career counseling effectiveness? *Journal of Vocational Behavior*, 62, 390-410.