What can human resource management tell us about sustainable youth employment?

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About the author

Belgin is a Senior Lecturer in Human Resource Management at the Adam Smith Business School, University of Glasgow, Scotland, UK. She has trained as a psychologist and specialised in industrial/organizational psychology in her master’s degree. Belgin’s doctoral research was in a business school context and examined job quality, employability and career mobility in contemporary graduate labour markets. Belgin is an Academic Member of the Chartered Institute of Personnel Development, youth employment lead at the European Association of Work and Organizational Psychology (EAWOP) Impact Incubator, and Committee Co-Chair at the Academy of Management Teaching and Learning Conference. Her current research interests centre on career development, skills use and development, employability, job search and well-being, with a particular focus on young people. Following guest editing the Special Issue on Young people’s work, employment and careers, Belgin has recently joined the editorial team of InPractice. This research spotlight aims to introduce Belgin’s current conceptual work in progress on youth employment.

Keywords: Youth employment, human resource management, sustainable careers, good and meaningful work, human sustainability

Introduction

In June 2020, together with Professors Dora Scholarios and Ros Searle, I organised an EAWOP and Economic and Social Research Council (ESRC) funded small group meeting (SGM) on young people’s work, employment and careers. This SGM brought together academics, practitioners and policymakers over the period of a week to discuss youth employment challenges. On the final day of the SGM, we focused on key take-home messages and questions that remain unanswered. Participants agreed that a systems approach, which includes multiple stakeholders, is fundamental in tackling the youth employment challenges. Afterall, the challenges we heard about during the week were multi-faceted. Just as it ‘takes a village’ to raise a child, it takes a community approach to tackle youth employment challenges. Yet, most national governments place more emphasis on the supply of work- and career-related skills to labour markets by individuals and education providers, than they do on employers’ demand for developing and utilising these skills. After making this observation I became interested in understanding employer motivation for youth employment.
Young people are increasingly under pressure to gain qualifications and to aim high and raise aspirations. Yet qualifications are not sufficient to guarantee access to good work that will provide skill use and development. Academic qualifications are increasingly used by employers as a screening device during recruitment and selection to eliminate less suitable candidates but evidence of relevance of these qualifications on the job is not clear for most (Okay-Somerville & Scholarios, 2014; 2017). In other words, qualifications may be needed to get the job, but not necessarily to do the job well. For instance, we have observed, in the past three decades, the expansion of higher education across the developed and developing world. Yet, this expansion, rather than levelling the field for young people in the labour market, has contributed to much underemployment, overqualification, reinforcement of inequalities and mental health problems, with little evidence of employer initiative to absorb this highly skilled workforce (e.g., by job creation or redesign). In fact, my doctoral research showed that university graduates were increasingly employed in intermediate–skilled (technicians and associate professional) occupations which are now referred to as the ‘new’ graduate occupations. Yet, job quality in these occupations were significantly different from that in traditional graduate occupations, especially in terms of skill requirements, skill use and development, autonomy over work and pay (Okay-Somerville & Scholarios, 2013).

Some employers intentionally do not employ young people. In the UK, in reaction to the Covid–19 pandemic, in 2020, only 46 per cent of employers planned to recruit young workers and 25 per cent definitely did not intend to do so (CIPD, 2020). Most active labour market policies focus on either increasing human capital or are concerned with rapid labour market entry, yet we know very little about how long-term sustainable employment and careers can be supported (Fuertes, McQuaid & Robertson, 2021).

This research spotlight aims to contribute towards facilitating sustainable youth employment. It explores how sustainable youth employment can be supported through management of young people at work. In the following sections, I introduce youth employment as a sustainability problem and illustrate what sustainable youth employment may look like. I then explore the role of human resource management for supporting sustainable youth employment. Finally, the conclusion reflects recommendations based on this novel conceptualisation.
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Why is youth employment a sustainability problem?

Although ‘youth’ is a transitional phase (from being young into adulthood) youth employment has long-lasting impact, that depletes crucial individual, social and economic resources. According to the International Labour Organization (ILO, 2021), we are currently experiencing a global youth employment crisis: across the globe, 68 million young people are unemployed, 123 million are in working poverty and 270 million are not in employment, education or training (NEET). Youth unemployment is associated with lower lifetime earnings, higher incidence of later unemployment and mental health problems and reduced life chances (McQuaid, 2017). Another key outcome of not getting youth employment right is associated with exclusion from society. For instance, youth unemployment has been found to be consistently related to criminal damage and robbery, regardless of gender and ethnicity. Finally, youth unemployment and underemployment indicate underutilisation of crucial resources and has implications for nations’ labour productivity and prosperity.

Young workers are the future of work. As we are witnessing in relation to the Covid-19 crisis, young people are often the most vulnerable to uncertainty and economic downturns; they lack the human and social capital required for ensuring sustained employability. Young people who are currently struggling to access work will form the majority of the labour market in the coming decades. These young people will join labour markets with financial, career-related and psychological scars which may impact their long-term happiness, healthiness and productivity. The youth employment crisis therefore poses a sustainability threat to individuals’ careers, availability of knowledge, skills and ability in labour markets and to nations’ prosperity. In relation to youth employment, sustainability is concerned with guarding future generations’ well-being and productivity (Anand & Sen, 2000).

Sustainability within organizational settings is often studied in relation to economic and/or environmental performance. The importance of human sustainability is highly relevant for studying youth employment considering the multiple negative effects discussed above. Youth employment can therefore be problematised as a human sustainability challenge – which is relevant for preserving young people’s adaptative capacity for the future, in the form of fewer labour market vulnerabilities and higher resilience to unexpected career shocks.
What does sustainable youth employment look like?

Sustainable employment has been conceptualised in different ways according to the context within which it is studied, for instance in reference to the ageing workforce. From a broader perspective, the notion of sustainable careers refers to sustained employability in the labour market (Lawrence, Hall & Arthur, 2015). Considering the uncertain and volatile contemporary labour markets, sustainable employment requires: a) renewal opportunities to reflect on and consolidate careers and to prevent burnout; b) flexibility and adaptability through continuous learning; and c) integrity and integration of careers with different spheres of life for a meaningful experience (Newman, 2011). To define sustainable youth employment more specifically, a good starting point is to consider what we know about youth employment.

Young people are subjected to increasing precarious employment, which is commonly characterised by low-pay, poor skill use and development opportunities, lack of choice/control over employment options, employment rights, and psychological empowerment through work with little/no social protections. Young people are often employed in atypical contracts that are inherently insecure, such as zero-hour contracts where there are no guaranteed hours of work, or bogus self-employment, where they do the same work as employees but are categorised as self-employed and therefore do not benefit from employee rights and social security (ILO, 2020). Such unpredictable and insecure working patterns puts young people under risk of financial and social insecurity, as their ability to pay basic living and housing costs is constrained and they become more likely to rely on third sector organizations for these needs, such as foodbanks (Buzzeo, Byford, Martin & Newton, 2019). Young people’s precarious employment is not sustainable as often they find themselves in a cycle of low-quality work and financial insecurity and/or being transferred from one training provider to another without opportunities for gaining work experience (Suttill, 2021). Frequent experience of precarious employment may in fact further exacerbate some of the key barriers to education, employment or training that young people experience, such as lack of meaningful labour market experience, financial pressures, poor self-esteem, and limited ability to travel due to lack of financial resources.

Judging by what we know about young people's precarious employment, I propose that sustainable youth employment affords young people with psychological, social and financial securities/safety-nets. Broadly defined, sustainable youth employment can be conceptualised as work that allows young people the ability and motivation to maintain
or change jobs in ways that foster positive work-related attitudes and well-being, and perceived productivity through work. More specifically, young people’s sustainable youth employment will be characterised by certain key job characteristics that persist overtime across employment episodes, including decent (living) wage, opportunities for skills and career development and worker rights (e.g., pension entitlement and collective representation) and will have positive impact on employee well-being. This operationalisation of sustainable youth employment is also in line with what we know of young people’s work-related preferences. Although young people are often stereotyped for their lack of commitment to work, our empirical research based on European Working Conditions Survey data shows that job security and traditional career progression opportunities, as well as skill use and meaningful work are among their top job- and career-related preferences – and more so after the 2008/9 Great Financial Crisis (e.g., Okay-Somerville, Scholarios & Sosu, 2019). We might explain these preferences for sustained employment using Inglehart’s (1981) scarcity hypothesis, which argues that those features of work that are rare in availability gain more importance as work values. Considering that today’s 16– to 24– year-olds’ formative years relevant for most developmental milestones, including work-related identity development, were realised in the shadow of the insecurity of the 2008/9 Great Financial Crisis, young people’s preference for opportunities to grow through work and security are not surprising.

For understanding young people's perspectives on sustainable youth employment, I have commissioned the European Youth Parliament UK (EYPUK) to produce a resolution booklet to tackle the question of How can Europe ensure young people are provided with meaningful employment options? (EYPUK, 2021). Mimicking the workings of the European Parliament, the EYPUK employment and social affairs committee, chaired by Andra Tofan, came together during their annual national session in July 2021 and agreed on resolutions to address this question. Some of the resolutions confirm the dimensions of sustainable youth employment conceptualised in this Research Spotlight:

- establishing an independent, non-ministerial, governmental body to ensure good working conditions and leadership standards;
- incentivising internal mentorship training programmes to support young people at work;
- incentivising job retention and youth employment schemes;
- prioritising mental health at work;
- implementing public information campaigns which raises awareness of the dangers of age-related stereotypes on young people’s employment prospects...
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and the importance of inclusive youth employment for prosperity of individuals, organizations and nations;

- integrating notions of employment rights, the future of work and healthy working environments into school curricula; and
- capping the proportion of jobs replaced by artificial intelligence to preserve entry-level opportunities relevant for skills development for young people.

Beyond access to employment, the above conceptualisation of sustainable youth employment places management of young people in the workplace in its centre. The next section considers the role of human resource management and possible tensions in the employment relationship for facilitating sustainable youth employment.

Human resource management and sustainable youth employment

Human resource management (HRM) is concerned with ‘anything and everything associated with the management of the employment relationship in the firm’ (Boxall & Purcell, 2003, p.184). Whether young people are subject to precarious or sustainable employment opportunities is therefore an HRM choice that managers make and implement.

Employing young people presents risks to organizations. This is because young people, although increasingly formally qualified, lack experience and associated human, social and career capital. Sustainable youth employment, as defined above, requires that organizations invest in young people’s skill use and development, as well as providing opportunities for career progression. This kind of investment then presents costs for organizations, which most active labour market policies try to counter by financially incentivising the employer to subsidise this expense. Youth employment is perceived as particularly costly in economic and social regimes that rely on short-termism in management. Organizations in these regimes often seek previous work experience in filling vacancies, where employees can ‘hit the ground running’ and be productive from day one, rather than taking a longer-term approach to ‘grow their own’ by providing training and development opportunities through employment. Not surprisingly, although most managers agree that they have a duty to develop young people's skills, they also need to be assured of a business case for doing so (Hasluck, 2012). The business case for youth employment is often presented in financial outcomes. For instance, reduced recruitment and staffing costs and increased flexibility associated with employing young people have been demonstrated. More indirect reasons through which young people contribute to financial outcomes include, but are not limited to, the
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innovation and creativity they bring into the workplace, willingness to learn, diversity of perspectives, technical skills and workforce planning (Hasluck, 2012).

**Financial goals of the organization**

Investing in sustainable youth employment may create tensions for achieving financial outcomes depending on the organization’s strategic focus. For instance, in the UK, a growing polarisation has been observed in the quality of jobs: where a high proportion of jobs are in the lower and higher ends of the skills spectrum. An organization’s skills composition therefore denotes its approach to productivity: 'low-road' vs ‘high-road’, respectively. In this context, young people are disproportionately employed in sectors that take a ‘low-road’ approach and depend primarily on low-cost competition, via low-skilled work. Employees in organizations that adopt the ‘low-road’ approach are likely to be subject to precarious employment. Especially in liberal economies, such as the UK, young people tend to be overpopulated in the service sector (e.g., in hospitality, food and accommodation) which inherently offers low-paid work and non-traditional contracts (O’Reilly, Grotti & Russell, 2019). Hence, young people, although increasingly highly educated and skilled, are experiencing growing overqualification at work and precarity in working conditions (Lodovici & Semenza, 2012). There is some evidence that for some employers these adverse working conditions improve labour productivity for achieving economic goals (Verhaest, Bogaert, Dereymaeker, Mestdagh & Baert, 2018). Sustainable youth employment may not be compatible with low-cost business strategies.

Organizations that take a 'high-road' approach to productivity, either through differentiation in the market or creating a niche focus, may be more likely to offer sustainable youth employment, as these organizations tend to rely on employee commitment and involvement for higher performance. However, it may be more difficult for young people to secure work in these organizations, as there is likely to be high applicant-to-vacancy ratios, and especially if they lack crucial employability and career-development skills (Atilla Bal, 2020). A clear example of this is observed in graduate employment. Many university leavers find that there are more applicants than vacancies in the top graduate employers which offer structured training and development opportunities and develop their own future leaders.
Non-financial goals of the organization

Recent discussions of HRM acknowledge the non-financial goals of organizations, which are relevant for sustainability. In this vein, sustainable HRM is defined as “people-management practices that take the development of social, environmental and human capital into account” (Guerci & Carollo, 2016, p. 212). A recent review of sustainable HRM (Aust, Matthews & Muller-Camen, 2020), distinguishes between HRM systems that treat sustainability as a ‘means to an end’ vs ‘an end’ in their own right. More specifically, Aust and colleagues (2020) argue that some sustainable HRM models (i.e., socially responsible HRM, green HRM and Triple Bottom Line HRM) are models of managing people where financial purpose of the organization is key to all activity. By contrast, Common Good HRM models show substantial deviation from these mainstream ideas and assume that the primary purpose of the organization is to make positive contributions to collective sustainability challenges we are experiencing (Dyllick & Muff, 2016). Within this type of organization, financial outcomes become means for achieving social and/or environmental sustainability goals.

Although sounding rather utopian to many, examples of such organizations are listed under the Economy for Common Good initiative, which proposes an alternative economic model based on “a good life for everyone on a healthy planet” (Economy for the Common Good, 2021). The Economy for Common Good aims to change the economy in several ways, one of which is the creation of ‘good and meaningful jobs’. Muller-Camen and Camen (2018) describe how Sonnentor, an organization listed under the Economy for Common Good, prioritises employment creation by resisting automation of low-skilled production work. Similarly, the Conscious Capitalism initiative offers a new way of thinking about capitalism that is based on a higher purpose than making profits. I argue, based on sustainable HRM literature and these encouraging initiatives, that sustainable youth employment will be more likely in organizations with social sustainability purpose.

It is evident in Aust et al.’s (2020) reviews that financial goals, and social and environmental goals are not mutually exclusive in organizations. Most organizations will have some degree of concern for social and environmental purposes. Yet, how this manifests in engaging with young people is crucial for my arguments. For instance, in my informal discussions with employers who actively support youth employment, one employer in the information communication technologies industry mentioned that they actively and intensively engage with youth employment by school and university
recruitment visits, making quotas for young people in their organization and providing elaborate skills development programmes. When discussing the reasons, alongside altruistic reasons of a perceived duty of developing the next generation of IT developers, they also mentioned that these activities ensure a healthy and productive talent pool that they can tap into, even if these young people do not end up working for them.

In recent years, I started incorporating some of these ideas on sustainable HRM and alternative economic models to my strategic HRM teaching at the University of Glasgow. The classroom discussion that follows is fascinating; some students take Sonnentor to be a fictional organization, others question how the state may be incentivised (or not) to support such systems and while yet others raise reasons why these ideas will not translate to the ‘shop–level’ because that is where line managers or direct supervisors make day-to-day decisions. These intriguing discussions led me to further expand my exploration on understanding employer motivation for sustainable youth employment to consider the role of direct line managers.

**Implementation of organizational goals**

Line managers play a key role in implementation of organizational purpose (Purcell & Hutchinson, 2007). With regards to sustainable youth employment, we can expect line manager attitudes towards young people to play a key role in both recruitment and selection of young people and their development through work. My ongoing research with Dr Esra Atilla Bal shows stark differences in young people’s self-report data on their soft skills, personality and work values with employers’ judgment of these (Okay-Somerville & Atilla Bal, 2021). This draws attention to two plausible explanations: that either young people lack self-awareness and/or that managers are biased in their judgment of young people’s capabilities. In fact, the Chartered Institute of Personnel Development (CIPD, 2011) concludes that ‘young people are from Mars and employers are from Venus’ when it comes to experiences during recruitment and selection. A plethora of research has been conducted on young people’s career skills and competencies, which also includes reflecting on one’s preferences, strengths and values. There is evidence that some employers may hold negative views about employing young people due to the financial risks mentioned above and also some stereotypical assumptions about young people being unreliable and lazy (Suttill, 2021).

Managers’ assumptions about young people and how this influences young people’s sustainable employment outcomes (e.g., in terms of opportunities for training or employee rights) is not well understood. Research based on model of culture fit
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(e.g., Kanungo, Aycan & Sinha, 2020) shows that organizational culture not only impacts managerial employee-assumptions but also how HR practices are implemented. For some line managers, providing sustainable youth employment may create tensions with their own performance targets and/or purpose even when organizational purpose may be strong, whereas others may hold strong views on supporting youth employment even when organizational purpose may be purely financial. Hence, I argue that understanding sustainable youth employment from a human resource management perspective requires understanding both HR intentions (at senior management level) and HR implementation (at line management level).

**Summary: HRM strategy and implementation**

My arguments on defining sustainable youth employment and how HRM may be relevant for understanding sustainable youth employment provision within organizations are summarised in Figure 1. This shows that at the senior management level, organizational strategy and purpose matter for sustainable youth employment. Building on what we know about the relationship between organizational strategy and HRM, my first argument is that organizations that take a low-road approach and compete on low–cost basis may be more likely to employ young people (e.g., in service sector) however are less likely to offer sustainable youth employment.

Figure 1
Summary of HRM - Sustainable youth employment relationships
Drawing on Aust et al.’s (2020) distinction between models of sustainable HRM, my second argument is that sustainable youth employment will be more common among organizations that have explicit non-financial goals. These organizations may work closely with the community. This could be through third sector organizations that support young people. For instance, in the UK, we can expect provision of sustainable youth employment to be common among employers who signed the Good Youth Employment Charter which has been developed by Youth Employment UK (a UK-based charity). By signing this Charter, these organizations signal that they: a) create opportunities for young people; b) recognise the talent young people bring into organizations; c) understand the importance of fair employment; d) offer development of young people through work; and e) listen to young people’s voice in the employment relationship (Youth Employment UK, 2021).

Finally, HRM implementation may differ from senior management intention of HRM strategy. Hence, my third argument is that line managers will play a key role in sustainable youth employment provision (alongside or despite senior management intentions). The best-case scenario here is when senior and line management are aligned in their interest for supporting youth employment. When there is misalignment, it is likely that line managers either cannot or will not provide support for sustainable youth employment.

**Conclusions**

The arguments presented above suggest that in thinking about youth employment, we need to broaden our focus from access to work, to access to sustainable employment. Practically, this highlights the inefficiency of most active labour market policies for facilitating young people’s work-related satisfaction, well-being and productivity. Theoretically, this shifts the youth employment lens to include employer practice as well as career guidance for young people.

As noted at the start, youth employment challenges require multiple stakeholders working together – perhaps despite tensions between their interests and goals. This research spotlight aims to highlight ways of involving a key, yet often neglected, stakeholder – the employer – in tackling youth employment challenges. There is plenty of room to expand both theory and practice, as our understanding of human sustainability grows.
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