

*Study of Demand-Led Labour Market Strategies
to Improve Employment Outcomes
for British Columbia Youth*

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Overview of presentation

- Context
- Some data
- Defining demand-side approaches
- Application of demand-side approaches to youth
- Promising practices of employers
- Recommendations

Basis for this topic

The observation

The trajectory of employment service improvements:

- Job search techniques
- Resume writing
- Interview skills
- Pre-employment preparation
- Job retention
- Job advancement
- Wrap-around services
- One-stop centres

The evidence

- Entry-level jobs not what they used to be
- New entrants to labour market most challenged
- Higher levels of education → higher levels of over-qualification
- Employers cannot find qualified job candidates

Approach/methodology

Elements of the study

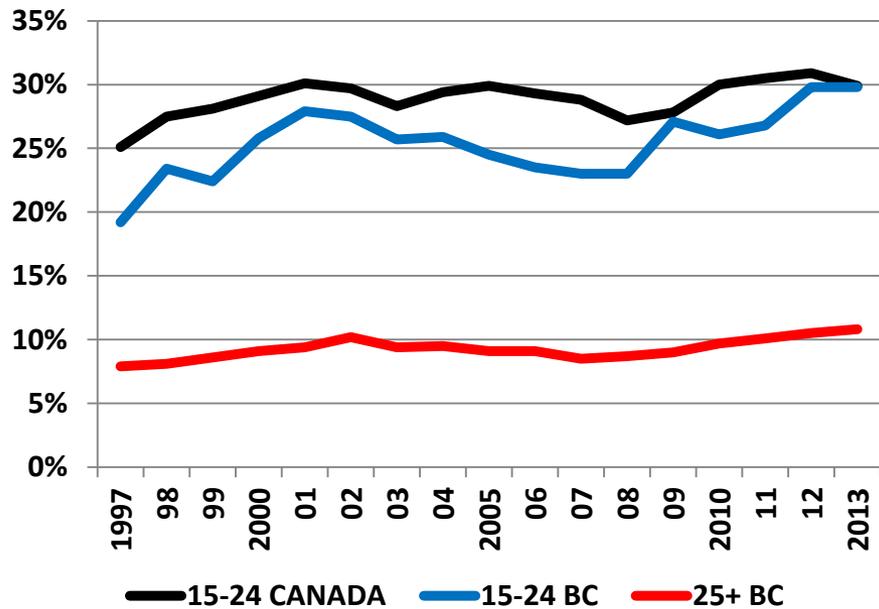
- Review the data regarding labour market outcomes of youth in B.C.
- Define what is meant by a demand-side approach
- How might a demand-side approach be applied to youth
- What evidence is there that employers would adopt

Methodology

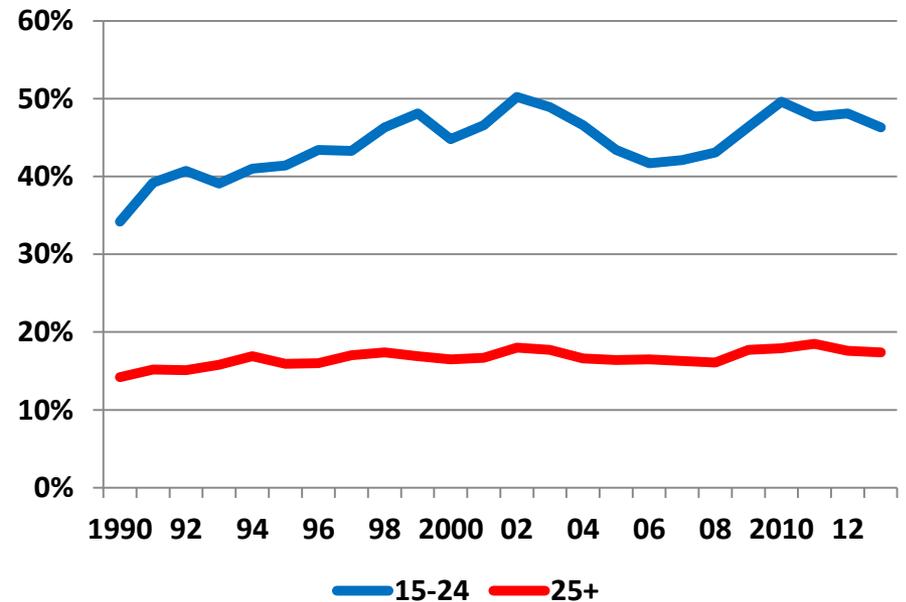
- Analysis relying on LFS and NHS, and analytical studies
- Literature review
 - Demand-side approaches
 - Best practices for youth
- Examine case studies of practices that support transition of youth into workplace (Top Employers for Young People)

Labour market outcomes for B.C. youth (1)

Incidence of temporary work

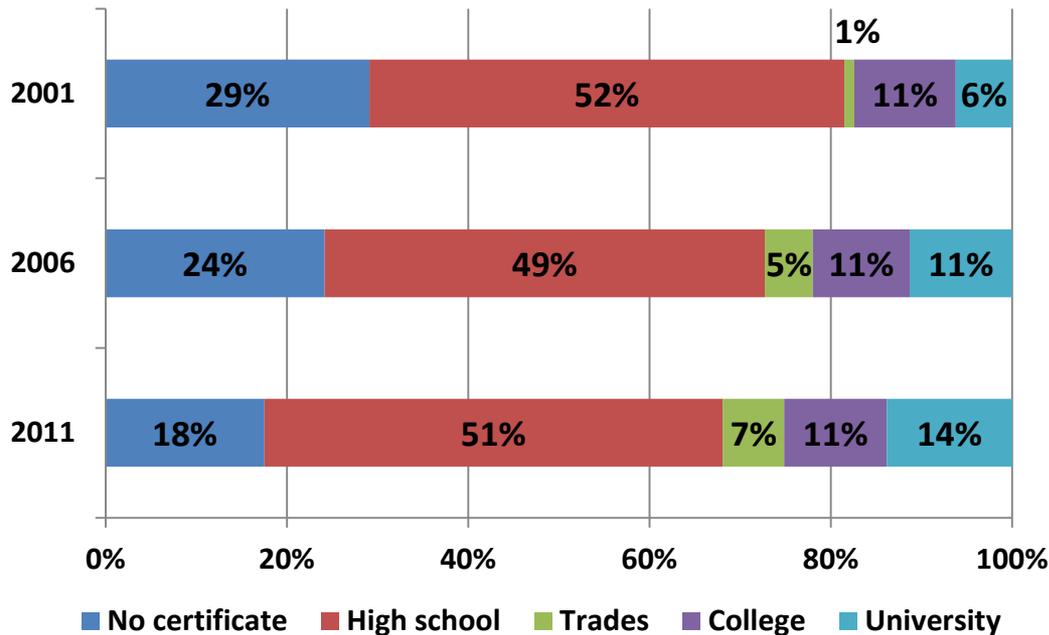


Incidence of part-time work



Labour market outcomes for B.C. youth (2)

Levels of educational attainment among employed youth, 15-24 years of age, British Columbia, 2001, 2006 and 2011



Youth concentration in “youth” jobs (at least 25% youth) → 35 occupations

Retail salespersons

Cashiers

Food counter attendants

	2000	2005	2011
	2.58	2.52	3.05

Logic leading to focus on demand-side

- Consider the previous paradigm:
 - Work for 2-3 employers in lifetime
 - Hired in entry-level and progressive advancement
- New paradigm:
 - Great emphasis on credentials
 - Entry-level often dead-end
- Workforce has upped their education levels
- Employers lament lack of qualified candidates
- Hypothesis:
 - Not skills shortage, but experience shortage
 - Poor transition into labour market

What do we mean by a demand-side approach?

Process similar to that for job seeker

- Intake
- Assessment
- Identification of strengths, weaknesses
- Linking to resources
- Developing plans
- Building a relationship

Developing a collective strategy

- Intensive immersion to understand dynamics of the operations
- Intensive immersion in understanding recruitment and advancement
- Seek to develop sector strategies for clusters of employers

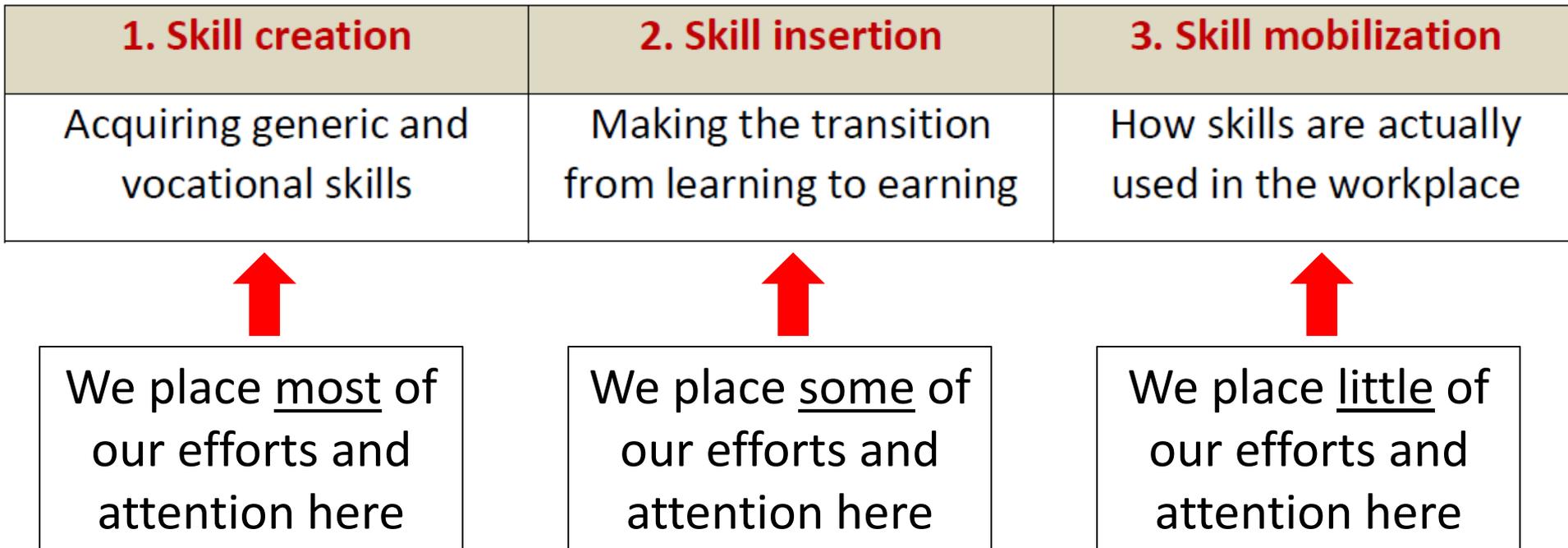
Many barriers to training

Simply making the business case for training is not enough:

- Cost (simple matter of cash-flow)
- Risk aversion (immediate expense, distant gain)
- Information (ROI on training, peer benchmarks)
- Resources (which training, who should deliver)
- Poaching (fear that trained workers will leave)
- Inertia (easier to leave this as they are)
- Competence (broader HR skills)

Demand-side approaches and skills development

Three phases



The demand-side and skill creation (youth)

This phase provides the foundational learning for what follows.

- One area that merits evaluation is the extent to which employers' needs are communicated to schools and degree to which they are or should be reflected in the learning outcomes
- What is the process for school-employer engagement and communication

The demand-side and skill insertion (youth)

Refers to transition between learning and earning:

- Apprenticeship
- Part-time work
- Work experience
 - Co-op; internship; practicum; mentorship; workplace visits
- Hiring practices
 - Targeting youth (e.g. via social media)
 - Using channels that do not exclude youth (e.g. word-of mouth)
 - Do not create unnecessary credential and experience barriers
 - Providing feedback

The demand-side and skill mobilization (youth)

- Are skills being used and are they being used effectively?
- The question brings into play a host of other considerations:
 - Productivity growth, innovation, high-performing workplaces, employee engagement
- The specific relevance to youth: where employers view human capital as a significant asset and competitive edge, they are likely to invest in HR practices that also benefit youth

Enabling demand-focused strategies

- Workforce intermediaries
- Sector strategies
- Interface with schools
- Community college engagement with employers

Promising practices of employers

- Relationships with multiple schools
- Stay-in-school and school to work programs
- Apprenticeships
- Paid internships with pathways to employment
- Structured on-boarding
- Career guidance
- Formalized rotation program
- Structured learning opportunities
- Working in teams with senior staff
- Social events for young people
- Engagement through corporate responsibility
- Opportunities for feedback and consultation
- Benefits and financial assistance

Motivation of employers

COSTCO

Have always invested in employees and hired from within. It's part of the corporate culture.

TELUS

Focus on customer service meant making the customer happy. Need a happy employee to ensure a happy customer.

ONTARIO PUBLIC SERVICE

In the war for talent, need to offer an attractive package. Seek a reliable talent pipeline.

UNIVERSITY OF BRITISH COLUMBIA

Had adopted a series of HR practices which turned out to be very attractive to youth: coaching, access to university amenities.

Recommendations

- #1: Signal demand-side policy approach
- #2: Regional Workforce Tables to adopt demand-side approach
- #3: Pursue industry sector strategies
- #4: Employer associations' role
- #5: Special support for SMEs
- #6: Stakeholders citing employers' good practices
- #7: Public and non-profit procurement as incentive
- #8: Research in demand-side policies and practices

Functions of employment services versus workforce development boards

Dimension	Employment services	Workforce development boards
Aspect of unemployment	Frictional unemployment	Structural unemployment
Functions	Counselling, job matching	Researching, convening
Primary client	Job seeker	Employer
Labour market orientation	Supply side	Demand side
Time frame	Short-term	Medium-term
Focus of work	Individual one-on-one	Groups of employers + of workers
Nature of relationship	Single interaction	Building partnerships
Purpose	Transactional	Transformative
Geographic scale	Local, neighbourhood-based	City or region-wide