July 2011

Career guidance: Understanding the behaviour of individuals

Introduction

The traditional model of career guidance is one where the skills of an individual are 'matched' to the requirements of job roles. The underpinning assumption in this model is that when individuals are given information about the labour market, they will use this to make rational career decisions. However, in a fluctuating labour market, providing perfect information is difficult, and individuals frequently do not make decisions that are rational, but that are based on their beliefs, values and motivations. Gaining a better understanding of why and how individuals make career decisions, could help inform delivery of better tailored career guidance.

The UK Commission for Employment and Skills carried out work in 2010-11 to identify the potential of using new technologies to transform career guidance. Several pieces of work were commissioned to provide an evidence base including a study carried out by INON. INON used the techniques and insights of behavioural economics[1] which is one approach that can be taken to build a picture of how individuals use information to make decisions. This report provides a summary of INON's work.

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[1] Conventional economics assumes that people act on information that is available to them in a rational way. Behavioural economics assumes that it is just as important to understand what people believe, what is salient to them, and what actions they take as a result.

Methodology

INON carried out interviews and behavioural experiments with 45 people to identify how people make career decisions and search for career related information online. The outcomes have been used to develop a set of eight cognitive profiles. The individuals involved in the work were all based in London and were at different stages of their career. The interviews and behavioural experiments were conducted with the goal of understanding the decision-making process and the influencing factors for each individual, including:

- **Values** - the motivations and preferences an individual has and what they want out of a career or a job
- **Beliefs** - the assumptions and preconceptions people have and how these influence the choices they make
- **Strategies and heuristics** - the techniques and processes by which people seek out career information and make decisions
- **The role of technology** - how people use the internet and other technology to access career information.

The eight cognitive profiles developed by INON are presented in this report to build a picture of individuals' beliefs, values and search strategies. In summary, the profiles are:

1. **Seeker of meaning:** people for whom meaning or purpose in their work is all-important

2. **What am I good at:** those who focus on their existing strengths

3. **What's expected of me:** people influenced by social expectations: from family, peers or culture

4. **Means to an end:** people who work to enable them to do other things that are more important to them

5. **Serendipity:** those who don't have any particular aims, ending up in a career mainly due to chance

6. **I have a dream:** those who are and have always been passionate about a specific role

7. **Disconnected:** people who are disaffected and not involved in the world of work

8. **Embedded:** people who are entrenched in a career due to inertia or the difficulty of changing.

Findings

Values

The values individuals expressed were categorised by INON as personal fulfilment, social and material. Material values included salary level, working conditions including the flexibility (or predictability) of hours, location and the length of commute to work.

Some individuals had a greater emphasis on personal fulfilment or psychological rewards, such as doing a job with meaning, or having an enjoyable experience at work, while other people valued variety in work or the opportunity to gain new experiences and learn. Individuals that emphasised social values referenced the importance of relationships with, or perceptions of, other people. Individuals that value the social dimensions of work often place value on working with a group of like minded people or achieving the respect of friends and family.

Beliefs

Beliefs about the workplace, a particular career option or the importance of certain strategies to find employment, are of varying accuracy but reveal broadly held assumptions which are important to understand.

Commonly expressed beliefs by the group interviewed by INON are summarised below:

- I need an internship to get a good job
- I have to stick to the career I'm in, it's hard to change
- There are certain reliable strategies to get a job: recruitment agencies, pursuing the same job as a parent, being employed by a company which can offer a variety of projects to work on
- Training and qualifications might help, but are expensive and time-consuming to get them
- Debt is bad and should be avoided
- I should take whatever job I am offered
- Certain salaries are realistic for me (a wide range of different figures were given)
- Websites/recruiters are useless
- It is very hard to get a job after graduating
- It's not worth taking a job unless it justifies (financially, or in status or purpose) the investment made by me, my family or the government in my education or training.

Strategies and heuristics

In examining the behaviour of individuals when asked to search for information, or asking them about the methods they had recently used to find work or make career choices, INON found a number of typical strategies. These are likely to have arisen partly as natural solutions to the

problem of finding the ideal career, and partly due to learning common strategies from peers or educational institutions.

Individuals displayed both proactive and passive strategies. Scattered proactive strategies are those where the individual takes active steps to find work but tries a wide variety of different approaches which may not be coordinated. These strategies were common and included general searches online for jobs, using the support and vacancies provided by, for example, Jobcentre Plus, and trying out different jobs to see what they're like.

More targeted proactive strategies reflected a directed and focused approach, with a methodical set of actions directed towards a clear goal. Examples of this included focusing on organisations that are known to be offering jobs, or approaching relevant organisations in person and talking to them about employment opportunities. A number of individuals recognised the importance of networking in their industry and would seek to connect to people online or through offline organisations and industry specific forums. Internships were also seen as an appropriate employment search strategy by many; often with the ambition of completing work experience and it leading to employment afterwards.

Passive strategies observed where individual waits for opportunities to find them included only seeking opportunities offered by family and friends or uploading a CV to a site and waiting for job opportunities to arise.

Search strategies

The individuals INON observed used a range of strategies to search for information online including:

- Literal - type in a natural language question to Google, e.g. 'what is the highest salary of a marketing manager in London'
- Interpretative - type in a phrase which is more likely to match what people will write about, e.g. 'police starting salary Wales'
- Direct – go straight to the website where the answer is thought to be and search that website.

Navigation

Once arriving at a site, the search strategies used included:

- Database search within the site
- Scanning the page for vaguely relevant information and going back to the search results if the information sought wasn't found quickly
- Careful navigation of menus
- Asking/confirming (emailing someone or asking a friend)
- Reading job titles/salaries before deciding whether to click further
- Keyword search within the site (used infrequently by the participants).

Attitudes to technology

IT literacy and attitudes towards the use of technology for career guidance and job search varied across the group of people interviewed. Skills using search engines seemed not to correlate strongly with the use of the Internet as a job seeking strategy and several individuals, while skilled at searching for information, indicated that they would not use the Internet as a primary method for finding jobs. For some, this was because they have an effective network which they rely on to help find opportunities; for others, because of a lack of trust in the impersonal and distant nature of information found on the Internet.

Many people interviewed wanted human support and input to the search process. For some this took the form of expert assistance from a careers adviser who could help them make judgements about the right career for them. For others this may have resulted from a frustration or lack of confidence with online searching, and a consequent assumption that friends, family or colleagues could better match them with a suitable job.

The extent to which participants trusted the information available online was critical in determining the extent to which they used technology. Some individuals believed that most information they find online is accurate and can be trusted but others tended to be more sceptical and may seek to validate information found online with other sources before acting on it.

Cognitive profiles

INON developed eight cognitive profiles from the interviews and observations they carried out. The profiles are the most frequent clusters across the different dimensions of analysis. It should be noted, however, that while these profiles effectively categorize all of the sampled 45 participants in the study, the profile list is approximate and not exhaustive. Some people may fit into a blend of more than one category. As with any system that involves categorising individuals into groups, care should be taken when applying it to avoid being reductive. With a study of this size it is problematic to apply the results across the population. However, as a way of recognising common patterns and moving beyond a 'one-size-fits-all' approach, cognitive profiling can offer useful insights.

Profile 1: Seeker of meaning

Members of this group are primarily looking to their career to provide meaning in their life. They feel a sense of purpose, and wish to achieve something of significance through their work.

Their aim may be to initiate change for large populations across a demographic, or it may be more personal, such as to feel proud of the work they do, or to be a role model for others. People in this group tend to look for opportunities to help people, largely independent of their own skills and qualifications, though they will apply those to the job where they can.

When these individuals are looking for their work to provide societal change, they often have specific organisations in mind where they would like to work, and are prepared to apply for unpaid internships (if at the beginning of their career) or work for a lower salary than they could obtain elsewhere (if mid-career). For example, one participant currently studying a Master's degree in Development Project Management has clear goals of alleviating poverty in developing countries, and more specifically to "give back" to his home country. His career search was proactive and targeted; he is actively seeking work or an internship with the Department for International Development. Another participant in this profile specifically targeted the International Red Cross for internship opportunities.

Individuals in this profile who look for meaning closer to home may feel the need for a more personal sense of purpose than other people. A 48-year-old unemployed participant wants not only to help the direct beneficiaries of her work in supported housing, but also (and perhaps more so) to be a role model for her daughter.

Profile 2: What am I good at

These individuals are primarily influenced by their perceived abilities in a subject area, and seek out a job which matches those abilities. At a young age, abilities are likely to coincide with interests, and so they tend to be well-informed about a number of careers that might fit their skills.

It is natural to spend time on activities which use one's skills; however skills in turn are also shaped by what we spend our time on. So an early interest in a certain area can sometimes develop into a focus on this to the exclusion of everything else, a phenomenon called *path dependence*.

One participant fitting this profile has spent his career to date in Journalism. He first worked at a local newspaper, enjoyed the job and got very positive feedback. This encouraged him to pursue a certificate in Journalism to complement his degree in Politics. In turn, this education refined his existing talent, which enabled him to get better jobs and more experience, developing his skills even further in a virtuous cycle over 15 years. He has worked at local and national newspapers and has been recently offered a position in Los Angeles as a celebrity reporter.

Over time, this profile can easily evolve into the 'Embedded' profile (profile 8). This same participant is now at a stage in his career where he is cautious about making major changes, because of his investment of time, education, and skills in his existing industry.

Profile 3: What's expected of me

Social expectation is important in this profile. This is most likely to come from family influences, but may also originate with culture or peers. For this group, a classic set of prestigious professions are likely to be of interest: medicine and the law are the most commonly cited ambitions, with other professions such as banking and architecture also mentioned. Where a specific profession is not clearly defined, some in this profile identify a broad class or type of position, for example one which holds enough prestige, salary, or purpose to justify an investment (be it an investment of emotion, time, effort, education, or money, by their parents, the government, or the individuals themselves).

Over time, some people may internalise the expectations of family or peers, learning to have the same expectations themselves. Self-imposed expectations can be more powerful than those originating from outside, and may be more difficult to perceive. Greater awareness of self-imposed expectations could offer individuals greater freedom to choose whether to follow or ignore them.

This group is especially likely to lean on family for advice and connections to help them pursue their career of choice. Individuals who do not have existing family connections in the same profession might therefore be at a disadvantage.

While this profile does not necessarily utilise a person's natural talent or skill, generally the professions in this category are those with high entry criteria. Thus, while working towards the entry qualifications needed, people from this profile may find their own strengths and weaknesses, and specialise within the profession to make best use of them.

If the desired career is not immediately attained, people from this group will often be willing to take other jobs for instrumental purposes. Part time jobs in unrelated fields can be a way of earning money while studying, or filling gaps on a CV. This trade-off seems very much rooted in the short-term.

A 15-year-old interviewed by INON had a clear ambition to become either a doctor or an architect. His strategy is to continue studying and not get into any trouble. In the meantime, he will undertake his year 10 work experience in a lawyer's office, an opportunity which was arranged by his father.

Just as the 'What's expected of me profile' is not limited to specific professions, neither is it limited to younger people. A mid-career professional, aged around 40, currently unemployed, is seeking a knowledge-based position with a suitable level of seniority to meet the expectations of his wife, his family, and himself.

Profile 4: Means to an end

For this group, work is secondary to outside interests: family, leisure or other pursuits. Their work therefore should provide a sufficient salary to achieve those goals and should not impose excessive time constraints.

Having less emotional investment in their career choice than other groups, people in this group may be more pragmatic, objective, and realistic about their options: making a clear-headed determination of the fit between their skills, experience and material needs, and choosing a job accordingly.

Of course this pragmatism does not mean that the individual does not also seek meaning in work, but it is less likely to be important to them than for other groups. Similarly, they may be more willing to make tradeoffs in regard to the type and purpose of work, or opportunities for skills development, for other job qualities such as flexible working hours.

One woman interviewed, mid-career but currently temporarily unemployed, has been in property lettings for several years. Before that, she worked for some years in each of two very different industries. Her main criteria for a career (and more specifically any particular job) are to earn enough to pay the bills, to have the flexibility to pick up her daughter from school, and to limit working hours to maximize the time she can spend at home raising her daughter.

Profile 5: Serendipity

This group sees themselves as at the mercy of opportunities that arise, rather than feeling a strong sense of agency in their career path. They are opportunistic in the short-term but this leads them to have little control over what they do in the long-term. They may have taken jobs at a young age which result in them defaulting into a career in which they remain decades later. This group may exhibit exaggerated inconsistencies in their preferences with respect to time, and thus find it more difficult to mentally and emotionally calculate tradeoffs between short term investments and long term rewards.

A young man in further education commented that he believes one should always accept a job offer as it wouldn't be right to refuse an opportunity. This attitude may be helpful in bridging the gap between unemployment or education and employment, but is unlikely to carry someone from a job devoid of personal satisfaction to one which is a better fit.

People in the Serendipity group are often unaware of what career opportunities exist. For this reason, the saliency of career paths is extremely important. For the participant above, one of his main criteria for a future job would be to work in an office (as opposed to manual labour), but he could think of only one company name which he believed could provide him with that type of work. His exposure to working life being limited thus far, his tutors and the company visits they arrange are both very influential, and will likely shape his decisions about his career.

Profile 6: I have a dream

This group encompasses two kinds of people: those who have always wanted a specific job, and those who have a clear vision of how they would like their life to be. Both types of people see their career as the enabler for achieving those dreams.

Young people are often in this group before they have been exposed to the reality of seeking a job. Some, such as a young man who was firmly committed to joining the police, are likely to achieve their goal as there is a clearly defined institutional structure allowing them to do so. Another, such as a 15-year-old who was keen to become a dancer, may find this more challenging and might end up unprepared for alternative careers if the dream is not fulfilled.

Of the people INON interviewed, lifestyle dreams ranged from the rather superficial, such as wanting one's own office or having business cards, to the more meaningful, such as the need for autonomy, to be a change agent, and to know that any successes or failures were self-created.

Those who remain in this group later in life, having achieved their goal, are likely to be highly satisfied with their career and job. We interviewed a 53-year-old entrepreneur who was clearly very happy with his role, earning over £140k per annum, being regularly challenged and would never consider doing anything different. The journey to achieve a certain lifestyle may not have been easy, but remaining wedded to the dream and seeing a career as the main tool or instrument for this achievement were influential in helping him, and most likely other people in this group, stay on course.

Profile 7: Disconnected

Members of this group feel that there are no real opportunities for them. They may go through the motions of looking for work, but are either unable to get good job offers, or implicitly set themselves such high standards that they sabotage their own search for work.

Two behavioural insights may shed light on this profile: reference dependence and loss aversion. This combination can be particularly hazardous when the reference point used is a past salary level. For example, a recently unemployed person may set their expectations (reference point) to their last salary, without adjusting it for changes in the labour market or other variables. When they are offered a job with a lower salary, their loss aversion kicks in and they are generally unhappier with a reduction in wage with respect to their reference point than they would be happy with an increase of equivalent value. The resulting scenario might be that an unemployed person refuses job offers due to these psychological effects, furthering inefficiencies in the labour market.

Conversely, but with an equivalent outcome, some individuals are so lacking in confidence that they feel unable to look beyond low-skill jobs. Whilst low-skills jobs are appropriate for some people, INON observed unwillingness in some people to even consider anything more ambitious.

For this group, hands-on help from others, perhaps including incremental rewards for undertaking employment-related actions (such as creating or improving a CV, or applying for a given number of jobs per week or month, or maintaining a part-time volunteer position) could help. Positive reinforcement to improve self-confidence, and increased exposure to people in work and their jobs may help this group to feel that there are career opportunities within their reach.

Sometimes, people can fall into the 'Disconnected' group after initially subscribing to a different profile, such as 'Seeker of meaning', 'What I am good at', or 'I have a dream'. This may be the case for graduates who may have had certain expectations about their future career, but who find the reality of looking for work to be dispiriting. For example, one young woman INON interviewed graduated with a Masters degree but no prior work experience. She is stuck in a vicious cycle of being turned down for many positions due to her lack of experience, and when applying for administrative positions (to get experience), is being told she is "over-qualified".

Profile 8: Embedded

People in this group are firmly entrenched within a career path, and do not seriously consider anything outside it. They may be highly successful (for example, a senior barrister who has spent her whole life studying law) or less so (a data analyst who had been out of work for 18 months but had not seriously considered an alternative career path).

For many people, staying with a single career path throughout their life makes perfect sense; it increases the economic returns to knowledge and effort, and provides relative security. For others, however, the chance to try something new might be valued.

As mentioned earlier, this profile can often follow on from 'What I am good at'. An owner and director of a Public Relations company has been successful in her industry since she first started working about 20 years ago. Although she would consider selling her company and working in-house with another agency, she would never leave the industry.

Many mid- and late-career participants alluded to feeling 'Embedded', even if this was not their primary profile. This is perhaps quite natural, as by this stage in a career, a person has presumably honed some skills and acquired some level of industry knowledge, which may be wasted if changing careers. Others feel that at this point "there is too much to lose" in changing career direction.

Questions and areas for further consideration

As the descriptions of the different cognitive profiles show, individual's beliefs and social practices have a profound impact on how they make decisions about their career progression. Looking at the behaviour of individuals in this way provides an opportunity to consider how career guidance, including that which is delivered online, can be better tailored to have a greater impact.

This section of the report suggests some questions for further consideration. This is not to suggest that a behavioural economics approach is the only way to understand the behaviour of individuals, but this lens does provide some insights that can usefully challenge and shape thinking.

- **How can careers guidance convey the social value or purpose of particular job choices?**
  For the 'Seeker of meaning' profile, the second most significant group observed in INON's study, information about the social value or purpose of particular career choices is critical when making decisions. For example, the corporate social responsibility commitments of organisations, such as employee volunteering programmes, would be strong determinants for these individuals making decisions about career paths.

- **How can individuals be supported to identify their transferable skills and experience and explore how these skills match across careers and industries?**
  This would support individuals fitting 'What am I good at' and 'Embedded' profiles broaden their employment search and consider a greater number of career options, whilst fulfilling personal objectives. This may have wider benefits in the current economic situation as individuals who can be adaptable with regard to their career progression are more likely to thrive in an uncertain labour market.

- **How can the information that is available about specific jobs be enhanced?**
  A number of profiles explored in this paper highlight the many and varying priorities individuals have when assessing the suitability of a particular career choice. For example, how flexible the hours in particular industries are likely to be, long-term salary prospects or learning and training opportunities could all be strong factors for individuals making career decisions.

- **How can career guidance present opportunities to individuals that have not previously been considered?**
  In terms of designing approaches, the way in which services 'push' information, advice and guidance out to individuals that they may not have explicitly sought is critical for individuals deploying less active search techniques. People in the 'Serendipity' cognitive profile are likely to see themselves at the mercy of opportunities that arise therefore career guidance that actively presents opportunities is likely to have the greatest impact with this group.

- **How can the short term benefits of employment be communicated effectively?**
  For those in the 'Disconnected' profile, with lower confidence and fewer obvious career opportunities, seeing the shorter term gains of work may support them to make smaller steps into employment, moving gradually closer to the labour market. Whilst an individual's long term aspiration can be to make a good living, the short term barriers and challenges can become frustrating and individuals' motivation decreases. Emphasising the non material benefits of employment such as fulfilment, job-satisfaction, social benefits or sense of purpose may help people make the transition into employment.

- **How can vacancy information and career guidance successfully coordinate and connect to improve overall impact?**
  Online searches conducted by participants were commonly for information about specific advertised jobs. INON observed that individuals will regularly visit sites that have job listings, but are much less likely to look for information from careers organisations. As digital channels are developed the extent to which the two types of information, vacancies and guidance, can be linked and presented as part of a multi-channel blended offer will be key to achieving impact.

- **How can technology take account of individuals' different approaches towards careers to improve the effectiveness of digital resources?**
  Greater use of technology has already transformed the way that career guidance is delivered. A better understanding of how and why individuals make decisions, along with increasingly sophisticated technology, can improve effectiveness. Understanding what people find most engaging can help improve content. For example, many people do not only want to know facts but also what it is like on a day to day basis to carry out particular roles. Technology allows this through videos and storytelling.

- **How can technology help to improve the way that people search for information about career direction?**
  It is widely understood that to be effective websites need to be clear, simple and easy to navigate. However, there are potentially other ways that technology can improve the effectiveness of people's searches for information. Participants surveyed were, on the whole, not methodological in their searches, but would try a few directions and settle on the first available match to their objectives. The way that technology can help people move from less effective short term strategies to more engaged strategies could be usefully explored. This may have particular impact for those in the 'Disconnected' and 'Serendipity' profile who are predominantly passive in their search strategy, waiting for vacancies to find them and therefore missing career opportunities.