

A response to the Moments of Choice research

A programme to support informed choice



Publication information

This paper is published by The Careers & Enterprise Company.

The Careers & Enterprise Company (2016). The Careers & Enterprise Company Programme to Support Informed Choice: A Response to the Moments of Choice Research: London: The Careers & Enterprise Company.

Acknowledgements

We would like to thank the many people who have given us advice and input into this document. The text was prepared by Roger Taylor.

Contents

1. About The Careers & Enterprise Company	1
.....	
2. About this paper	2
.....	
3. Foreword	3
.....	
4. Executive summary	5
.....	
5. Background: establishing the scope of our activity	6
.....	
5.1 What are career choices?	6
.....	
5.2 What is informed choice?	6
.....	
5.3 What is good 'choice architecture' in career choices?	8
.....	
6. Developing an approach on career choices	10
.....	
6.1 What is the problem?	10
.....	
6.2 What can we do?	10
.....	
6.3 How will we do this?	12
.....	
References	15
.....	

1. About The Careers & Enterprise Company

The Careers & Enterprise Company is an employer-led organisation that has been set up to inspire and prepare young people for the fast-changing world of work. Our role is to act as a catalyst in the fragmented landscape of careers and enterprise, supporting programmes that work, filling gaps in provision and ensuring coverage across the country. We follow four principles to do this:



For further information on The Careers & Enterprise Company:
www.careersandenterprise.co.uk

2. About this paper

This document follows the publication of the *Moments of Choice* research¹ report by The Careers & Enterprise Company which looked at how young people think about careers. The research found that career decisions present a high 'cognitive burden': many options and few ways to make sensible comparisons between them. As a result many young people disengage from thinking about their future.

The research was commissioned to explore how better outcomes data could be used to inform career decisions but it raised broader issues that needed addressing. This document sets out our response to those issues and seeks comment and input from stakeholders.

1. The Careers & Enterprise Company. (2016). *Moments of Choice: How Educational Outcomes Data Can Support Better Informed Career Decisions*. London: The Careers & Enterprise Company.

3. Foreword

The mission of The Careers & Enterprise Company is to help young people make the transition from education into employment. Our goal is to help every young person find their way towards a productive and fulfilling adult life.

Our work at The Careers & Enterprise Company follows the blueprint for good careers and enterprise support set out by Sir John Holman in the Gatsby benchmarks for Good Career Guidance². This work highlights that young people need three things to successfully transition into the world of work:

- 1. Encounters:** with employers, with workplaces, with further and higher education.
- 2. Information:** about the labour market and pathways.
- 3. A plan:** rooted in what that young person cares about and is good at.

In our first year of operation we have focused on encounters, establishing a network to support more consistent encounters for young people. We now have Enterprise Advisers helping over 300 schools put together programmes of proven career related activities for young people and made £9.5m of grants to organisations that provide these activities.

In this report, we turn our attention to the question of information and how young people make decisions that affect their future. Our research report *Moments of Choice* found that young people are reluctant to engage in thinking about

their future because they are faced with an impossible task: choosing from a vast array of possible careers on the basis of incomplete and non-comparable information. The result is that such decisions are often made on the basis of family expectations, popular TV shows or random events in the young person's life.

We need to help young people make decisions by giving them a better understanding of what different careers involve and framing decisions in ways that are manageable. This may require simpler, clearer messaging to young people about what matters in career decisions and a better common understanding of how career decisions are made, in order that young people receive consistent, constructive advice from adults and are able to navigate their way through the increasingly complex world of employment.

The research highlighted the importance of both inspiring young people with ideas about their future and then supporting them adequately when making decisions. In these pages, we are setting out the role we think we should play to address this and how we can support schools, careers advisers, parents and young people to make better sense of the choices they face as they grow into adulthood and begin their path through life.

2. *The Gatsby Charitable Foundation (2014) Good Career Guidance [online]. Available at: <http://www.gatsby.org.uk/uploads/education/reports/pdf/gatsby-sir-john-holman-good-career-guidance-2014.pdf>

Key questions

These are our initial proposals but before we implement them, we are publishing an outline of our plans in this discussion paper and are keen to hear views from as wide a range of stakeholders as possible. The key questions we would like to hear views on are:

- Is the need for 'public information' correctly identified and described?
- Is our approach to delivering this appropriate?
- Are there any specific aspects of career decision making that you would like us to focus on?
- Are there any particular approaches to information dissemination that you would want us to adopt?

Comments

Please send any comments or responses to this document to careerchoices@careersandenterprise.co.uk by Friday 30th September 2016.

4. Executive summary

Research commissioned by The Careers & Enterprise Company has found that:

- Young people are disengaged from thinking about their career because the task is made too difficult. This is caused in part by the difficulty of understanding what different futures would really be like – without which it is hard to be enthusiastic about careers. But it is also, in part, due to the ‘high cognitive burden’ or ‘choice overload’ of attempting to make important decisions when it requires the consideration of large amounts of information that are difficult to interpret.
- Instead of informed choice, young people fall back on simple heuristics – e.g. going to university will mean you can earn more – heuristics that are often based on the advice of parents and family. These ‘rules of thumb’ and the public understanding of what makes a good career decision are often wrong.
- One barrier to engaging in thinking about careers was the degree to which young people had to go out and seek information. There were few mechanisms that ‘pushed’ the most relevant information to them. They had little sense that anybody had been able to identify the opportunities open to them and point them towards the issues that mattered.

Young people’s disengagement from informed career choices may result in poor decisions. For example, there is evidence that young people spend time on qualifications that add little or no value to their career prospects. Also, engagement in

career planning can itself increase people’s sense of subjective well-being with regard to their employment (see pages 8 and 10).

The Careers & Enterprise Company proposes to address these issues in the following way:

- **Research**
We will work with the Department for Education and other organisations interested in researching career choices and which have access to data that can evidence which choices make the most difference to outcomes. We will co-ordinate research activity in this area and bring together experts and stakeholders to identify the best ways to support informed choice.
- **Consensus Building**
We will convene stakeholders through the creation of an Advisory Council that can provide guidance and build consensus around the most important messages and information that young people need to hear.
- **Public information**
We will develop proposals to disseminate messages that address the behaviours and beliefs that lead to poor choices. We will disseminate information in accessible formats to schools and career guidance services about what matters most in careers decisions. We will use behavioural science to inform our messaging. We will use testing and randomised trials to determine which messages are most effective.

5. Background: establishing the scope of our activity

Here we set out our initial view as to how we regard career choices in order to define the scope of our activity in this area. Through our research programme, we will continue to refine and develop these ideas.

5.1 What are career choices?

Deciding what counts as a choice and what does not is far from obvious. Some things – e.g. choice of university – are usually regarded as being a choice made by the young person. Other examples – such as which secondary school you go to – are choices more often made by parents, although influenced by young people. Other ‘choices’ are determined primarily by your school – for example whether you start to think about your career at 7, 12, 14 or 16 and how you go about it. Deciding to start forming a view of your skills and aptitudes earlier in life may be the most important ‘choice’ – but for most people that is a choice made by their school rather than individually and may not be seen as a ‘choice’ at all.

Choice is most typically applied to a single point of selection. But the word choice is also used to refer to decisions about behaviour (e.g. choices with regard to drinking and smoking) which are characterised more by continuous application of a set of values. The decision to work hard at school or to undertake volunteering can be viewed as choices in some instances or behaviours in others.

Choice is most typically applied to situations where the chooser experiences a high degree of agency – e.g. choice of consumer product. But choice is also applied to circumstances where they feel

relatively little control – for example the decision whether or not to go to university may be regarded as a choice even if the young person concerned experienced little or no agency in simply following the expectations of those around them.

Our approach is to draw the definition widely and consider all aspects of career decision making as being potentially within our remit. In looking at ‘choices’, we are interested in any situations where young people with or without the involvement of schools, parents and careers advisers, act in ways that are not in their own best interests; situations where they and their advisers may not be aware that their actions can have negative consequences; occasions where information, provided in the right way and at the right time, might prompt them and their advisers to decide to act differently.

5.2 What is informed choice?

Informed choice is sometimes thought to be a concept that applies only to situations in which the chooser experiences a high degree of agency and is competent to make the choice on their own. However, it can apply equally to situations where the chooser is reliant on the advice of experts and to situations where choosers are making decisions on behalf of another (e.g. parents for children).

There is a spectrum of choices from the complex which require greater expert support to the more straightforward that can be made by most people without help. All choices require information – but some benefit from expert advice from an individual who is knowledgeable about the issues under consideration. At one end we would place, for example, decisions about medical treatment or legal matters, where it is natural to rely heavily on the advice of professionals. Financial decisions are more varied, some requiring greater or lesser degrees of advice. At the other extreme are choices such as some consumer purchases which require little or no expert guidance and where advice from friends, family or online discussion boards can be readily assessed and used by large numbers of people.

However, in all of these situations, the chooser is the individual not the adviser – and it is their loss if the decision is sub-optimal. The degree to which the choice is informed depends both on the extent to which the necessary information is available when making the decision and the extent to which the relevant points of that information are conveyed to the individual in such a way as to help them make decisions.

Career choices include some activities that require high levels of support and others that require less support. But in the main, career choices are relatively complex decisions. Furthermore, no choice stands alone but only make sense as part of a series of choices over time. This requires not only that those around the young person have the skills to help them make decisions but also that the young person has, as far as possible, the skills and knowledge to engage with these decisions.

It is rarely possible to say that a choice has been a bad one while the chooser is still alive. The subsequent consequences of that decision may prove to be wholly unexpected and beneficial. However, we can identify choices as ‘poor’ if, on clearly defined criteria such as ‘likelihood to increase earnings’, an individual has made a choice on a misconception. Another way of describing this situation would be to say that a choice is poor if the individual, on receipt of further information, concludes that they would have chosen differently had they been better informed.

A different but related notion is to describe any choice as poor if it is poorly informed – i.e. those that are i) made with limited information when more information could have been available and ii) where the chooser feels dissatisfied with the experience of choosing because they are aware they are trying to make a decision with too little information. Under this definition, while it might be more likely that choices will have adverse consequences, it does not have to be the case for the choice to be considered a poor one. It is enough that the chooser will feel less confident about the decisions they have made and feel less sense of agency in their own life.

There is some evidence that engagement in informed choice increases people’s subjective sense of well-being. The Higher Education Funding Council for England’s survey of university graduates – which aims to identify where all graduates end up in the year after graduation – has included questions on young people’s subjective sense of well-being in recent years. Young people who said their choice of job reflected a career plan or was what they knew they wanted had the highest level of satisfaction with their career.

In contrast, people who took a job because it paid well did not earn significantly more but were less happy³.

We believe that if young people feel more engaged in career choices it is likely to result in both better choices and happier people. Our approach, therefore, should be to draw our definition of informed choice widely to include both the degree to which young people have information about their possible futures as well as the degree to which they have the support and the capabilities to make sense of information and reach a decision.

5.3 What is good 'choice architecture' in career choices?

Choice architecture describes the way in which decisions are presented to people. There is no such thing as a 'neutral' choice architecture which has no influence on the way decisions are made.

More restricted sets of choices or information are sometimes regarded as being less neutral since the editing of choice sets and information requires certain value judgements to be made. However, the provision of wider choices sets with more complete provision of information can result in more people disengaging or making poor choices through lack of ability to interpret information.

All choice architecture involves trade-offs between different types of potential harm and are treated with different levels of trust or suspicion. Young people can face highly edited choice sets presented by, for example, their parents; or much less edited choice sets – for example when they conduct career searches online.

A less edited choice set does not equate to more empowered individuals if it results in choice overload and disengagement. It is not more 'neutral' if it leads to growing inequalities between those who are able to work with more complex information and those who are not.

Good choice architecture should present young people with a manageable set of decisions through an architecture that has been edited on the basis of a valid understanding of what is relevant and pertinent to that young person. These are the 'choices that matter' for that young person. While, on one level, some of these choices are individual to every young person, in some cases, the key information and understanding is something that applies to a great many people – for example questions about the value of different post-18 options.

Personalisation is central to the creation of good choice architecture in complex scenarios. Personalisation means the degree to which the construction of choice sets and information sets is determined by what is known about an individual. Zero personalisation occurs when everybody has access to the same information and has to identify what is relevant to them. Weak personalisation occurs when information sets are created which are relevant to very large numbers of 'average' people – for example when information about career choices tells you about the average for a whole population of people entering into a particular career.

3. Crust, G. and Hicks, H. (2015). Towards employability via happiness. *Educational Developments*, 16(1), 10–13.

Effective personalisation is the construction of information and choice sets that are relevant to well defined groups of people who share common circumstances and who recognise such information as relevant to their situation. These information sets can then be tailored to individual circumstances.

Weak personalisation was something identified by our research into career choices. Effective personalisation is a key part of being able to push information more effectively and draw people's attention to the decisions and the information of most relevance to them.

One particular aspect of careers choices is the degree to which each choice forms part of a series of choices and decisions that reach back into childhood. This requires a choice architecture that forms part of a consistent approach to careers guidance. Ideally it is one that is supported by the education system's approach to developing the relevant core skills in young people and which builds upon the beliefs and opinions that young people develop as they grow.

Lastly, a good choice architecture for young people would be one that helped them build their confidence in their own decision making abilities. Poor choice architecture and 'choice overload' dissuade people from trying to use their cognitive abilities to make sense of information. This not only leads to poorly informed decisions, it also prevents the person from developing an understanding of what matters in such decisions. Good choice architecture should not simply result in better decisions, it should aim to educate the young person about the important aspects of different decisions and help them build a better intuitive understanding of how to navigate their way through education and employment.

6. Developing an approach on career choices

In this section we set out the key issues affecting career choices and how we propose to address them.

6.1. What is the problem?

Young people are disengaged from career choices because of a sense of choice overload and a lack of support in making decisions. Career guidance in schools is often inconsistent and patchy. The provision of digital tools to support career choice is highly fragmented with many products doing many different things with some degree of overlap but little or no integration between them. There are many information sources available but a low level of confidence among young people that it helps them make informed choices.

There is some evidence that young people are making 'poor' career choices. This evidence is limited but some examples of this are:

- Recent research has suggested that for some people the graduate premium from studying at university may be low or even zero. For many, a degree may provide a poor or negative return on the debt students incur to invest in their further education.^{4 5} Research has identified some vocational qualifications below level 2 that add nothing to the individual's chances of employment and produce only a limited (or in the case of women, non-existent) uplift in earnings.⁶ If we assume that some of these courses have been taken with a view

primarily to economic benefit, then it is likely that people have made poorly informed choices.

- The Wolf Report: Review of Vocational Education*⁷ found that funding and accountability regimes created incentives for schools and colleges to steer young people towards inferior qualifications. It is likely that these incentives have resulted in some people being persuaded to take courses that they would not have chosen with fuller information.

Additional anecdotal evidence comes from organisations providing advice and support to young people who report that many young people have important misunderstandings – for example believing that if they wish to be a lawyer, studying law at a less well-regarded university is better than studying another subject at a highly regarded university.

6.2. What can we do?

The Careers & Enterprise Company's activities all contribute towards better careers choices. Our Enterprise Coordinators and Enterprise Advisors work with schools and employers to ensure the highest quality encounters with employment become embedded in the education of young people.

4. Kemp-King, S (2016) *The Graduate Premium: manna, myth or plain mis-selling?* The Intergenerational Foundation

5. Bibby D., F. Buscha, A. Cerqua, Thompson, D. and Urwin, P. (2014). *Estimation of the Labour Market Returns to Qualifications Gained in English Further Education* (BIS Research Paper Number 195). London: Department for Business Innovation & Skills.

6. Wolf, A. (2011). *Review of Vocational Education – The Wolf Report*. Available from https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/180504/DFE-00031-2011.pdf [Accessed 19th July 2016].

7. Compass (<http://compass-careers.org.uk/>) is a self-assessment tool that schools can use to benchmark their careers and enterprise provision.

Tools such as Compass will help schools identify how to improve their careers provision.⁸

Our investment fund supports the development and growth of the highest quality providers of careers and enterprise activities. Our second investment fund will support the development of mentoring to support young people who are underachieving at school.

However, this is not enough. We also need to work with schools and career guidance professionals to make the experience of engaging in careers decisions more rewarding for young people. We need to help ensure they have a basic understanding of what matters most in career choices.

To do this we will create programmes to disseminate information through schools to young people via our network of Enterprise Advisers which will raise awareness and support a culture change.

These information programmes will be designed to educate young people but our target audience initially will be those who directly interact with young people: schools and colleges and professionals working on careers advice services. Our aim is to arm them with the information they need to point young people in the right direction. Our *Moments of Choice* report into young people's career decisions found that family and teachers – along with career guidance professionals – are the most important sources of careers advice. We do not want to supplant those sources of information but to support them. The format and presentation of information will vary according to the message but could range from example lesson plans that integrate careers information into the curriculum to posters or worksheets

for use in the classroom. We want to help parents, teachers and careers advisers give the best possible support to young people by communicating with them through our network of schools and careers advisers.

Our messages will address issues such as:

- **What matters most: which choices are most important, which have the biggest consequences?**

For example, how much does choice of GCSE subject matter? How much does choice of institution at 16 matter? Is GCSE maths more important than a level 3 VQ? Should you worry about which job you go for or is it more important to get any job?

- **What are the most common mistakes: where do people most often go wrong and what is most widely misunderstood?**

For example: thinking that level 2 apprenticeships are similar to level 3 apprenticeships; thinking that *what* you study at university is more important than *where* you study; deciding there is no point in thinking about your career until you are 15.

Our objective is not simply to provide clearer guidance to young people but to build their capability to make informed judgements about their future through a better understanding of what employers are looking for, their own interests and aptitudes, and the various ways in which careers can progress. In the language of Daniel Kahneman⁹, we want young people to feel more confident about making 'slow brain' considered decisions; but we also want them to develop the judgement skills that mean they can trust their 'fast brain' instinctive decisions about how to approach employment.

8. Kahneman, D. (2011). *Thinking, fast and slow*. New York: Farrar, Straus and Giroux.

9. Britton, J., Dearden, L., Shephard, N. and Vignoles, A. (2016). *How English Domiciled Graduate Earnings Vary with Gender, Institution Attended, Subject and Socio-Economic Background* (IFS Working Paper: W16/06). London: Institute for Fiscal Studies.

We aim to do this in part by giving young people more encounters with the world of work which will help to build their understanding of what different careers are like. We believe we can also help by giving young people clearer information about the decisions they face and framing choices in consistent and manageable ways, so that they develop confidence in their own judgement.

6.3. How will we do this?

The Careers & Enterprise Company has begun discussions with Careers England and the Career Development Institute on 21st century careers advice and guidance. We will continue to work with our partners and, at the same time, start to address how we can promote research, build consensus and disseminate information to help young people make career decisions.

1. Research

The existing evidence provides us with a range of useful insights about what choices matter for young people. For example, we know that choice of university, subject and geographical location can all make a difference to people's lifetime earnings. We also know that certain combinations of GCSEs and A levels support or limit different careers. Critically, the research often tells us that young people have a weak understanding of this information and that even more worryingly they have a number of misunderstandings.

New data sources including longitudinal outcomes data within government (LEO) will allow new and better insights into the impact of different educational paths and enable comparison of the relative value of different career options – for example, understanding the extent to which different

types of apprentice programmes compare to university degrees. Data held by commercial job matching services are also being used increasingly to understand the labour market and to provide insight that may support informed choice making. Some of these companies are starting to create decision support tools based on such data.

The Careers & Enterprise Company's role is to collaborate with partners inside and outside of government to improve the availability of research which can support informed choices.

Among the immediate steps we propose to take are:

- Working with partners to help synthesise and communicate the existing evidence base in ways that are meaningful to young people and those who advise and support them.
- Engaging with relevant organisations such as HEFCE and UCAS as well as leading academics to understand what research is ongoing and to encourage further work in these areas.
- Continue our own research programme. Initially this might comprise the following activities:
 - **Literature Review** – we will conduct literature reviews to look at the evidence of young people making 'poor' choices (whether defined subjectively or objectively) and the causes of such decisions.
 - **Convening experts** to draw together what is known about informed choices in research and practice.
 - **Conducting research** with young people and their advisers.

- **An annual conference** which would bring together researchers from different disciplines (psychology, education, marketing, business) to share and take forward our understanding of good career choices.

2. Building consensus

While it is never possible to gain universal consensus around advice to young people, we will aim to create a shared understanding of what matters most in careers advice.

To do this we need to bring together leaders from education, business, careers guidance and academia. We propose to do this by creating an advisory group that lends authority and cross-sector support to the messaging.

We envisage that this would be employer-led with perhaps:

- 3–4 employers including people from diverse range of industries and types of employment.
- 3–4 independent experts including academics and career guidance professionals.
- 3–4 people from education and training.

The advisory group would review evidence and could commission additional research. Its output would be advice statements – akin to consensus statements in healthcare – which boil down complex evidence into the key guidelines or advice that they felt could be supported by the evidence and be responsibly made. These advice statements would form the basis for creative treatments designed to communicate the messages effectively to schools and young people.

3. Dissemination

Although the evidence base for good decision making is limited, even what is known is poorly communicated and misunderstood. Young people often underestimate what is required to achieve their goals or conversely they underestimate what their talents could allow them to achieve.

The Careers & Enterprise Company's role is to communicate with schools and colleges – and through them to careers advisers and young people. We will highlight key messages, alerting schools and colleges to the types of conversations that young people should be having and when they should be having them; the types of information they should consider in those conversations; the mistakes that young people typically make and, perhaps most importantly of all, the things that they do not need to worry about. For example, it may be much more important at the age of 16 to have a clear idea of your strengths and weaknesses in terms of core skills than to have an idea of what sort of job you want to do.

The messages to schools would be timed to coincide with relevant moments in the school year and targeted at the relevant year groups. They would identify what is known about the decisions young people should be thinking about and the sorts of information that they should consider. Depending on circumstances, it might identify specific resources that young people could use.

The Careers & Enterprise Company does not intend to provide individual advice to young people or create information tools designed to produce individualised recommendations. Our focus will be solely on *high level advice* i.e. advice that is true for large numbers of people.

References

Bibby D., F. Buscha, A. Cerqua, Thompson, D. and Urwin, P. (2014) *Estimation of the Labour Market Returns to Qualifications Gained in English Further Education* (BIS Research Paper Number 195). London: Department for Business Innovation & Skills.

Britton, J., Dearden, L., Shephard, N. and Vignoles, A. (2016) *How English Domiciled Graduate Earnings Vary with Gender, Institution Attended, Subject and Socio-Economic Background* (IFS Working Paper: W16/O6). London: Institute for Fiscal Studies.

Compass (<http://compass-careers.org.uk/>) is a self-assessment tool that schools can use to benchmark their careers and enterprise provision.

Crust, G. and Hicks, H. (2015) Towards employability via happiness. *Educational Developments*. 16(1), 10–13.

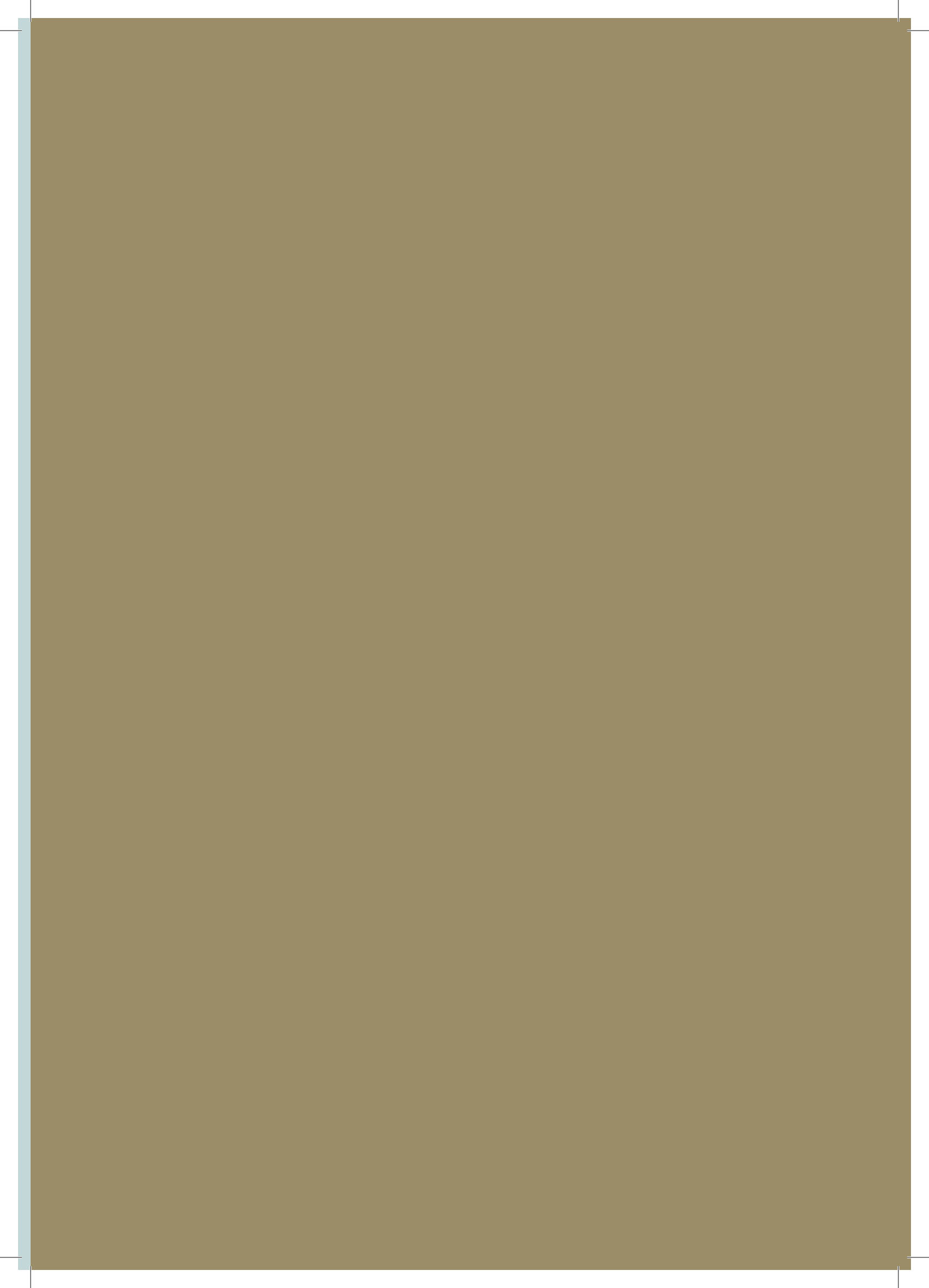
Kahneman, D. (2011) *Thinking, fast and slow*. New York: Farrar, Straus and Giroux.

Kemp-King, S (2016) *The Graduate Premium: manna, myth or plain mis-selling?* The Intergenerational Foundation.

The Careers & Enterprise Company. (2016) *Moments of Choice: How Educational Outcomes data Can Support Better Informed Career Decisions*. London: Careers & Enterprise Company.

The Gatsby Charitable Foundation (2014) *Good Career Guidance* [online]. Available at: <http://www.gatsby.org.uk/uploads/education/reports/pdf/gatsby-sir-john-holman-good-career-guidance-2014.pdf>

Wolf, A. (2011). *Review of Vocational Education – The Wolf Report*. Available from https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/180504/DFE-00031-2011.pdf [Accessed 19th July 2016].



The Careers & Enterprise Company

First Floor, Parchment House

13 Northburgh Street

London EC1V 0JP

 **@CareerEnt**

www.careersandenterprise.co.uk