



THETALENTPEOPLE INSIGHTS

Social Mobility:
Measuring the
relationship of
candidates and
career preferences

According to the OECD, social mobility best describes the gains and losses in economic and social status between parents and their children.

The OECD found that the ease by which, an individual or group is able to navigate across different social standards throughout their lives is highly dependent on their parent's background. A low degree of social mobility implies a lack of upward mobility for those at the bottom, distorting the foundations of economic growth as it can result in high levels of income inequality.ⁱ The Sutton Trust believe that social mobility involves breaking down the association between one's parental background and their ability to access opportunities that best match their potential.

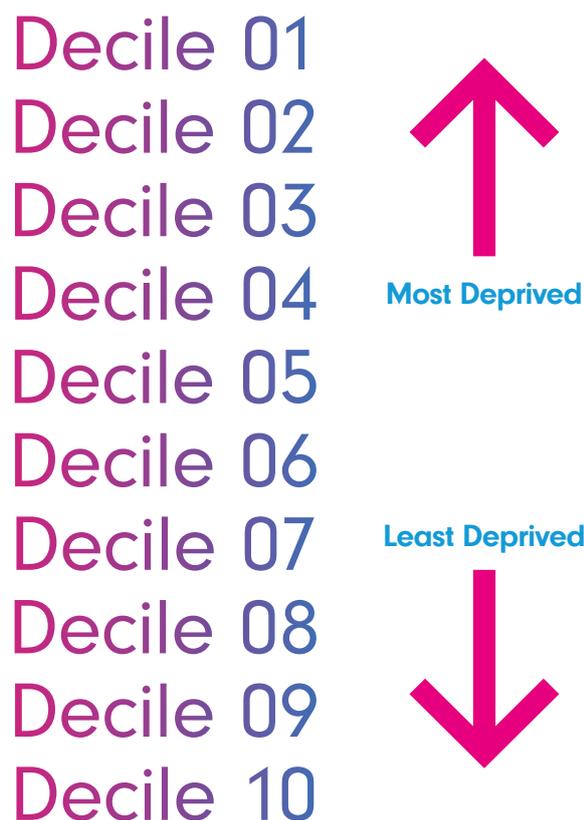
The Covid-19 pandemic has already led to a recession, significantly increased the 'aspiration gap,'ⁱⁱ and subsequently poses the risk of widening inequality gaps between those from the most and least deprived backgrounds, making social mobility more challenging than ever. The Sutton Trust predict that the crisis will have an overwhelming impact on social mobility as it will drive greater inequality of opportunity, primarily impacting those from lower socio-economic backgrounds.ⁱⁱⁱ

Apprenticeships have the capability to boost the social mobility of young people from all different backgrounds, especially those that are the most deprived. On average, apprentices from the least deprived backgrounds earn more than those from the most deprived areas; however, once learners complete their training it is in fact those from the most deprived areas that receive the greater rise in their wages.^{iv}

There is evidence suggesting that there are many factors, including socio-economic and cultural factors, which have the strongest link to the aspirations of young people. These factors directly correlate with their career choices and long-term career potential.

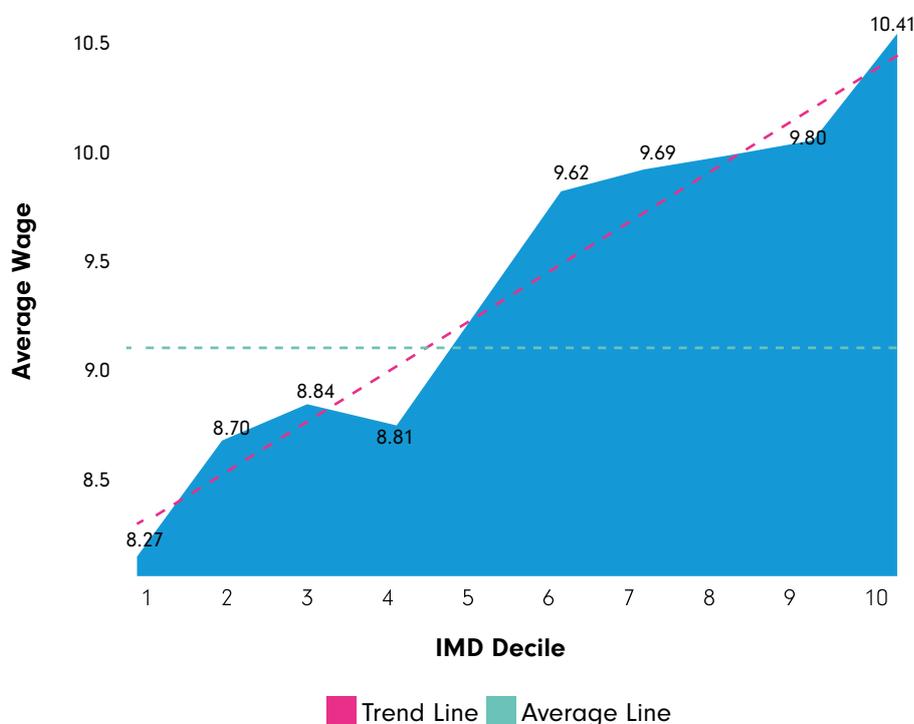
Many different data sources can be used to understand social mobility. Some are individual proxies, Free School Meals being one example, whilst others are made up of multiple dimensions, such as the Indices of Multiple Deprivation (IMD).

None are complete, and there are varying levels of correlation between them. For this study, we considered the IMD as it is made up of 7 elements including education, health, and crime; all of which have a direct impact on the lives of young people. The measure classifies geographical areas into one of ten groups of equal frequency, known as deciles, depending on its relative deprivation. Each IMD decile ranges from the 10% most deprived areas to the 10% of the least deprived areas, with decile 10 representing the least deprived and decile 1 symbolising the most deprived. When concerning IMD data however, it is important to note its key limitation in that due to the protected nature it is only effective in reporting at group level. Furthermore, it is only produced for English postcodes. This data was compared to 81,966 candidate profiles of individuals who have used the GetMyFirstJob.co.uk website in the last 12 months in England.



Our analysis showed that there is a direct correlation between the IMD deciles that young people are drawn from, and the average wage rate of the position they apply to. It can be seen that an individual's IMD decile is a key determinant as to whether or not a young person applies for an apprenticeship that is set to pay a salary that is above average.

Average wage of opportunities applied for during 2020



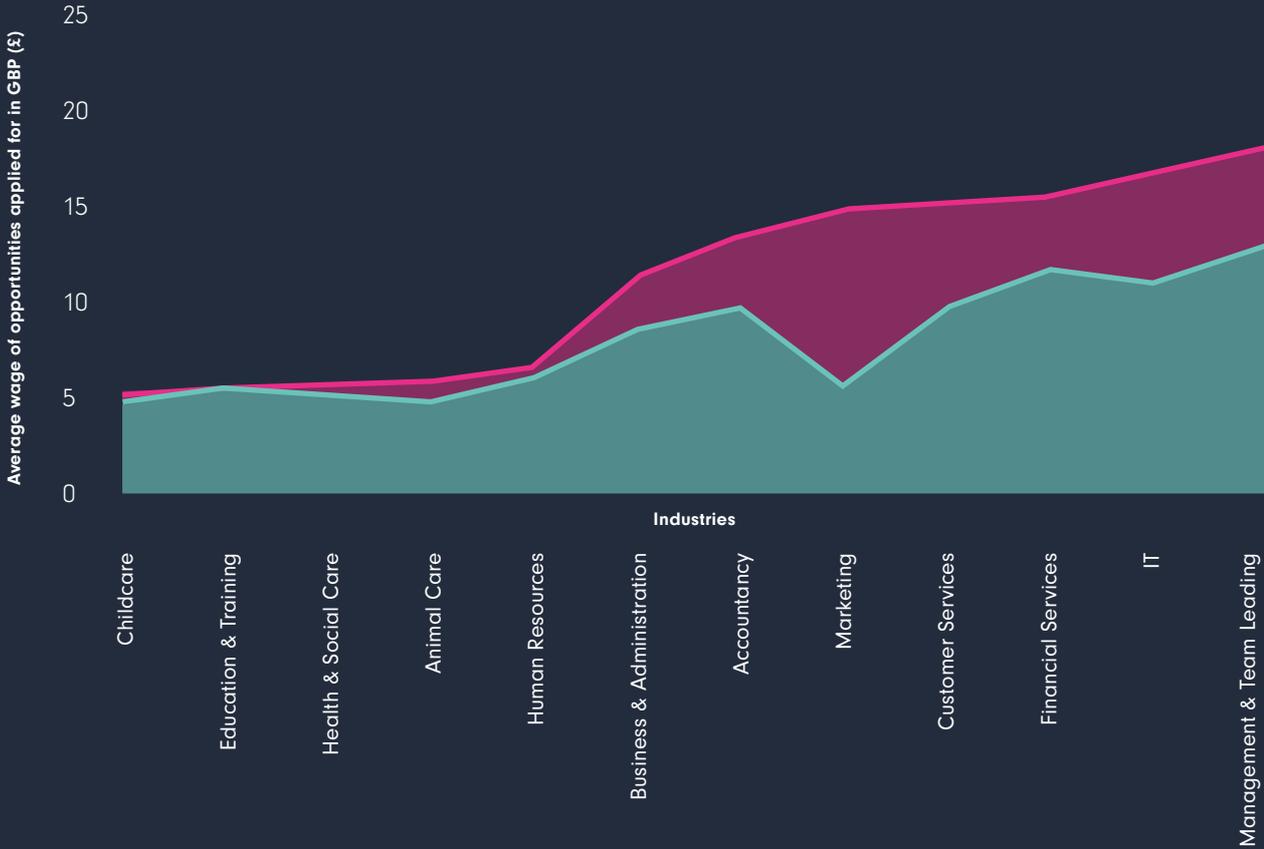
Additionally, it can be seen that career interests differ significantly among young people from the most deprived (decile 10) and the least deprived (decile 1) backgrounds. Young people belonging to IMD decile 1 (the lowest in terms of social mobility) have a high interest in pursuing a selection of careers in industries including business and administration, childcare and, health and social care – childcare of which being a sector on the ‘brink of collapse.’^v Similarly, they also have a high preference in pursuing a role in the catering & hospitality sector, an industry that is currently under immense pressure following the outbreak of Covid-19, local lockdowns, and the latest ‘rule of six’ guidelines.^{vi} This differs interestingly from the key career industry choices of decile 10 who are typically interested in better paying and more secure roles (based on current employment conditions).

In order to categorise a job/industry as good or bad, many indicators need to be considered, for example, progression opportunities, how secure the role/industry is, non-monetary benefits, salary, and many other factors. In this instance, salary has been used, and whilst it is only one measure it does provide insight into the value placed on a role.

The opportunities that young people from the lowest decile actively apply for appear to be lower-paid roles, whereas, those from the top decile are predominately applying to roles with better-paying conditions. Further to this, there is evidence of a pay gap amongst those from the most deprived and the least deprived areas. It can be seen that an IT role that a candidate from decile 10 applies for has an average hourly pay of £20.03, in comparison to £12.79 for an individual belonging to decile 1. Similarly, a customer service role that a candidate from decile 1 applies for has an hourly rate of £11.05, however, the average rate is £18.28 for an individual belonging to decile 10.

Average wage of opportunities during 2020

IMD Decile 10 ■
 IMD Decile 1 ■



Research by the Prince’s Trust has found that the aspirations of young people have been distorted by the effects of the pandemic, with many disregarding their career objectives/ goals, especially those from the most disadvantaged backgrounds. Candidates from lower socio-economic backgrounds appear to have their interests clustered in industries that are associated with low salaries and that are struggling to minimise the effects of economic shocks; which in turn will impact how socially mobile our economy is.

The UK government defines family background as the range of resources and skills that parents/guardians pass on to their children, this can include links to jobs, knowledge, and expertise in navigating occupations.^{vii}

31% - 36%

Candidates career choices are influenced most by their parents/guardians, siblings, and friend

20% - 17%

Candidates career choices highly influenced by career advisors and teachers

Our research indicates that young people from all socio-economic backgrounds are extremely uncertain about their future prospects and seek career advice from all different sources. Our survey of 284 young candidates, during Q2 of 2020, found that 31% of these individuals believe their career choices are influenced most by their parents/guardians, siblings, and friends. This was seen to increase to 36% during the same survey (with 186 candidates) conducted in Q3 of this year, identifying this factor as the key influencer in the candidate decision-making process.

Further to this, only 20% of candidates during Q2 of 2020 believed their career decisions were highly influenced by career advisors and teachers, however, this figure fell to 17% throughout Q3 of 2020. It can be recognised that candidates from all backgrounds are highly influenced by those around them that appear to have the same social status as them. Thus, it is believed that children's career aspirations are extremely likely to be limited/restricted by their parents/guardians, especially those from areas with the lowest social mobility.^{viii}

The Social Mobility Commission found that the key difference between areas that are categorised as the most and least mobile is the lasting influence of the role of family background. It is perceived that the family background of an individual from the least mobile area, is a key determinant of their labour market success as it appears to have a greater influence than educational achievement. Conversely, the labour market success of individuals from the most mobile areas is highly dependent on their educational achievements.

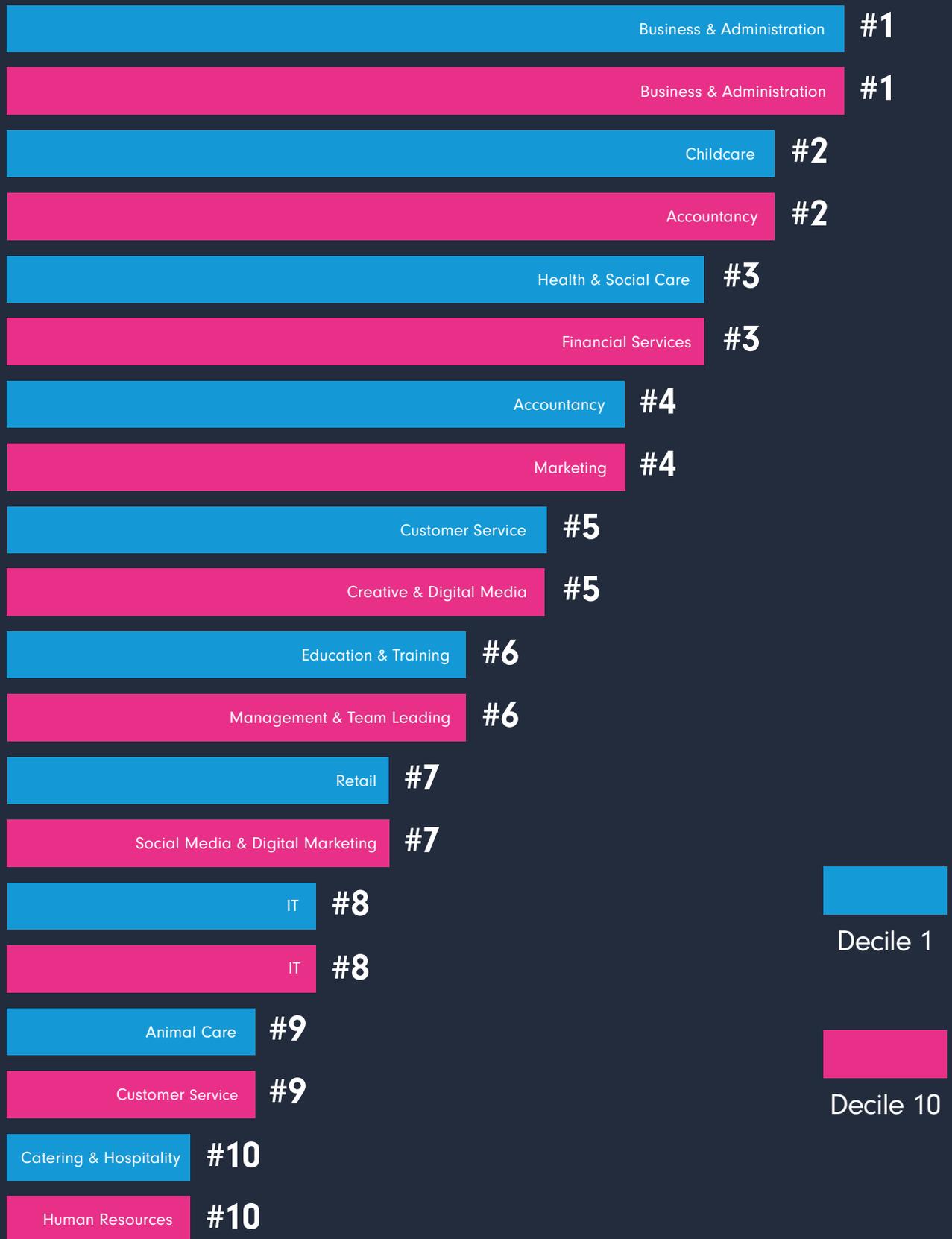
Summary

There is a strong correlation between the geographic areas in which young people live and their career aspirations. The IMD data suggests this may be detrimental to those in the most challenging areas of the country. Family background acts as a barrier for those belonging to the lowest IMD deciles.

One issue is that young people are relying heavily upon informal sources of information (parents/guardians, siblings, and friends) when making decisions regarding their future careers. Careers advice which challenges preconceptions held by family and friends is not making its way into the lives of young people in an effective manner. As a result, young peoples' aspirations are severely limited. This has been exacerbated by the global pandemic which has been shown to be another contributor that is further reducing the aspirations of young people from certain backgrounds.

For employers, education providers, and all those interested in addressing social mobility, new and innovative approaches are required to connect directly with those at most risk of being left behind.

Top 10 career choices for 2020



Decile 10 Sample Size: 24,588

Decile 1 Sample Size: 57,117

Sources

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