

# Adult retraining and employment outcomes

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1. Recently workless adults move back into work;
2. Adults who are working in affected sectors change industry; and,
3. Adults change sector *and* receive a pay rise

## But can education and training achieve this? And if yes, which groups of adults benefit most?

- Recent RF report (“Can training help workers change their stripes?”) analyses longitudinal data from Understanding Society (2012-2018)
- Analyses the relationship between 3 labour market outcomes (returning to work, changing industry and changing industry with a pay rise) and five broad forms of education and training:

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- Analyses the relationship between 3 labour market outcomes (returning to work, changing industry and changing industry with a pay rise) and five broad forms of education and training:
  1. Any training or education (outside of full-time study);
  2. Longer-than-median training: a course or programme with a total duration exceeding the sample median, which is 24 hours;
  3. Training that resulted in a qualification: training resulting in a qualification;
  4. Longer-than-median training with a qualification: training programme meeting both of the two above criteria; and,
  5. Full-time education: periods in full-time education since respondents’ last interview.

## But can education and training achieve this? And if yes, which groups of adults benefit most?

- We control for several personal characteristics, including:
  - Age;
  - Gender;
  - Qualifications;
  - Number of children; and ,
  - Region
- We also control for work-related characteristics, relating to a person's previous role including:
  - Occupation;
  - Industry; and,
  - Number of weekly hours worked

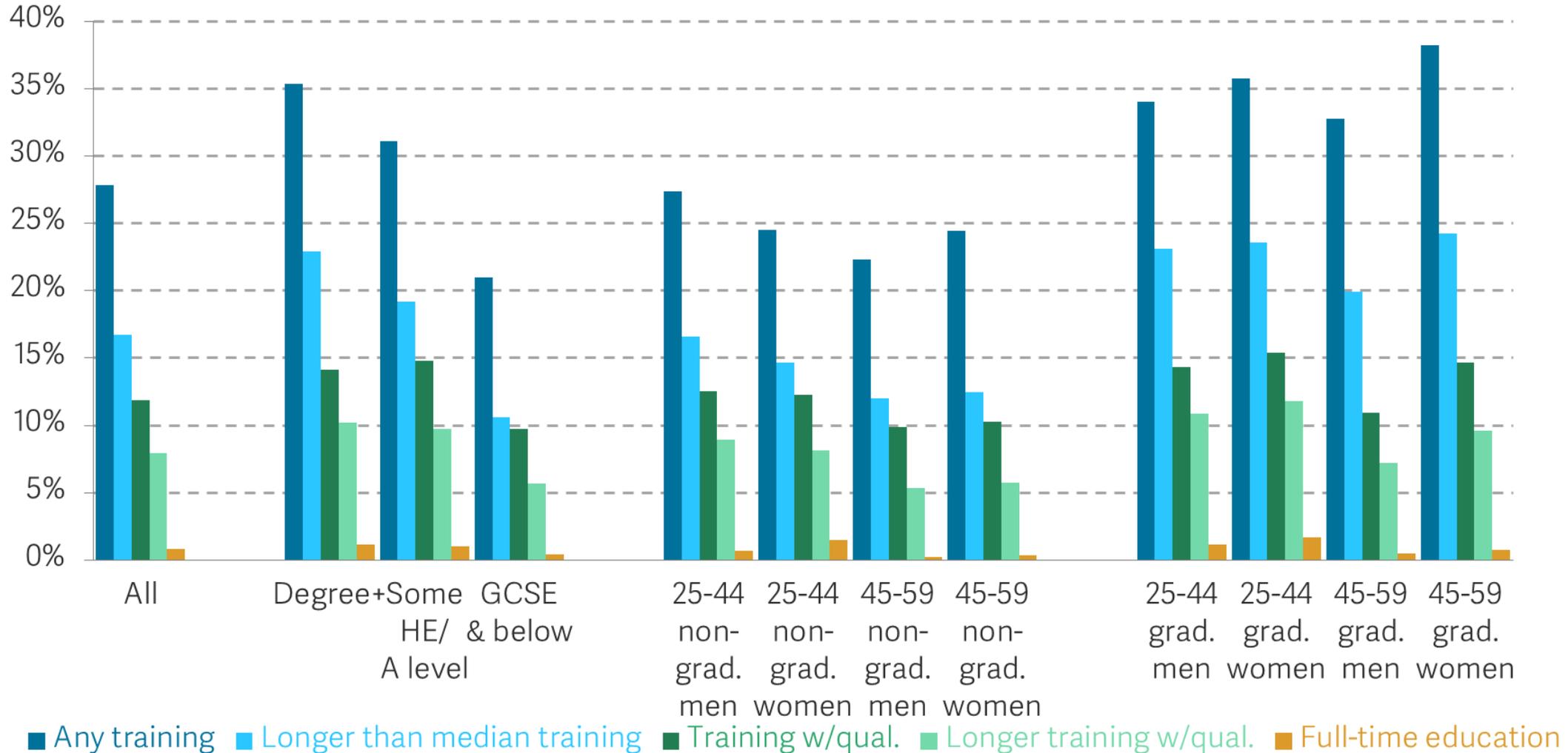
## We split our results for 12 different groups:

- All 25-59-year-olds (our main group);
- Graduates (Bachelor's degree and higher)
- Mid-level qualifications (A levels/Highers/Sub-degree HE courses)
- Lower-level qualifications (Level 2 and below)
- Younger (25-44) non-graduate men
- Younger (25-44) non-graduate women
- Older (45-59) non-graduate men
- Older (45-59) non-graduate women
- Younger (25-44) graduate men
- Younger (25-44) graduate women
- Older (45-59) graduate men
- Older (45-59) graduate women

**But before we discuss the relationship between studying, training and returning to work/changing industry, it's worth remembering that...**

# ...Adult education and training has long been skewed towards the already highly-qualified

Proportion of 25-59-year-olds receiving different forms of education and training, by subgroup: UK, 2012-18



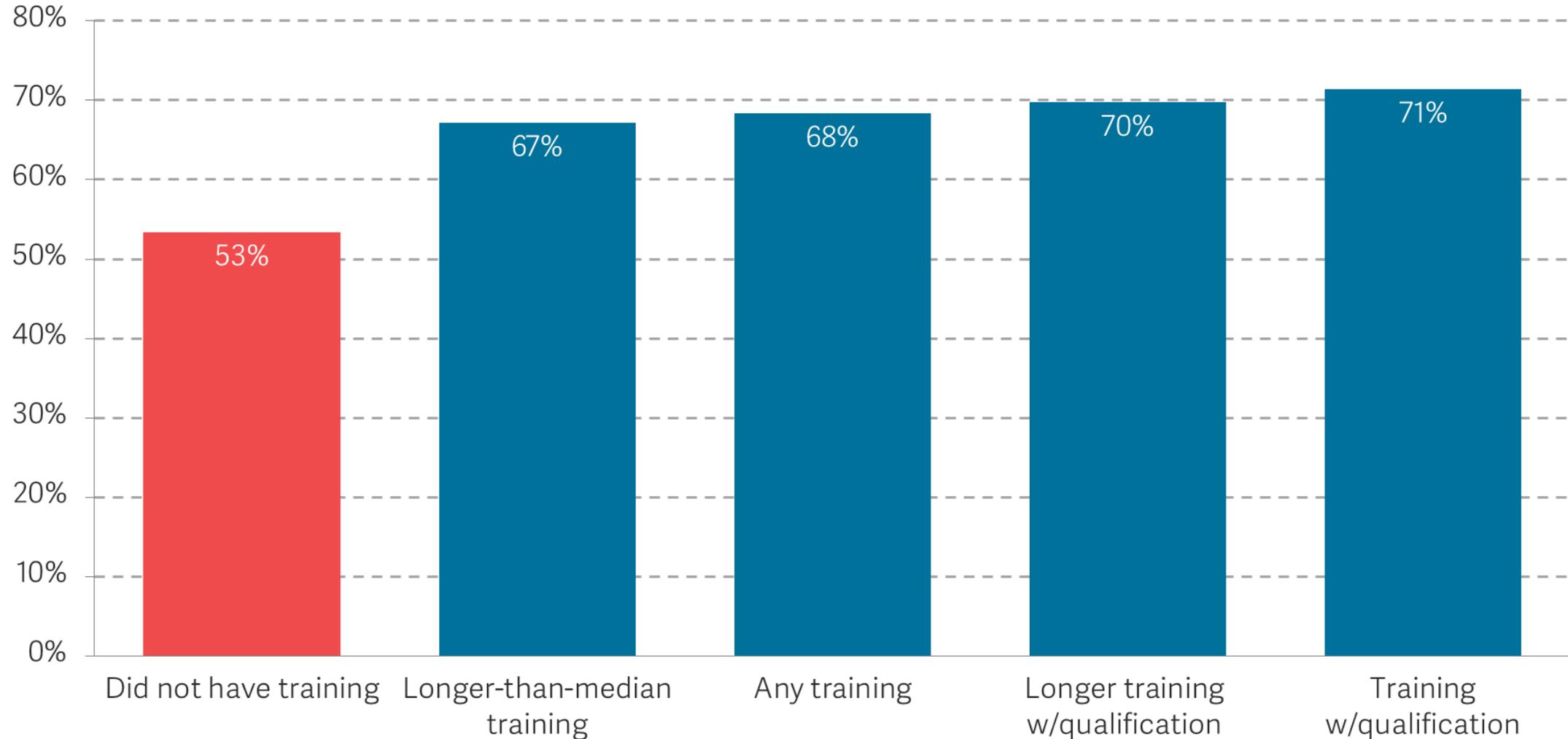
SOURCE: RF analysis of ISER, Understanding Society.

## Results part 1: Education and training as a means to return to the workplace

Logistic regressions test for the effect of education and training have upon the odds of a person returning to stable employment (i.e. staying in work for minimum of 2 years), within 2 years of moving out of work.

# Training has a positive and significant effect on the odds of a person returning to work

Predictive proportion of 25-59-year-olds returning to stable work after having workless spell, by type of training: UK, 2012-18



NOTES: Training undertaken one year prior. Regression analysis tests for the likelihood of returning to work, and being in work for one of the following three waves conditioned on the type of training undertaken. See report for details on control variables. Respondents classed as frequent trainers are removed, as are those who said their training purpose was 'hobbies' or 'health and safety.' The association between returning to work after a workless spell and having been in full-time education over the previous two years was not statistically significant, and so is not shown here.  
 SOURCE: RF analysis of ISER, Understanding Society.

# Among non-graduates, longer training and training that results in a qualification has a strong association with returning to stable work

Selected predictive proportions of 25-59-year-olds returning to stable work, by type of training and subgroup: UK, 2012-18

	No training	Any training	Longer-than-median training	Training w/qualification	Longer training w/qualification
All	53%	68%	67%	71%	70%
High-level qualifications	68%	82%			
Mid-level qualifications	55%	74%	76%	78%	78%
Lower-level qualifications	47%	56%		65%	63%
25-44 women, non-graduates	39%	55%		62%	
45-59 men, non-graduates	55%			85%	85%
25-44 men, graduates	73%			96%	
25-44 women, graduates	52%	78%			
45-59 men, graduates	66%			97%	

NOTES: Training undertaken one year prior. Blank cells indicate results that were not statistically significant; cells are shaded according to the percentage difference in the predicted proportions of returning to work without training and with that particular form of training. See report for details on control variables. Respondents classed as frequent trainers are removed, as are those who said their training purpose was 'hobbies' or 'health and safety.' The association between returning to work after a workless spell and having been in full-time education over the previous two years was not statistically significant, and so is not shown here. Longer-than-median refers to training that lasted for more than 24 hours in total.  
 SOURCE: RF analysis of ISER, Understanding Society.

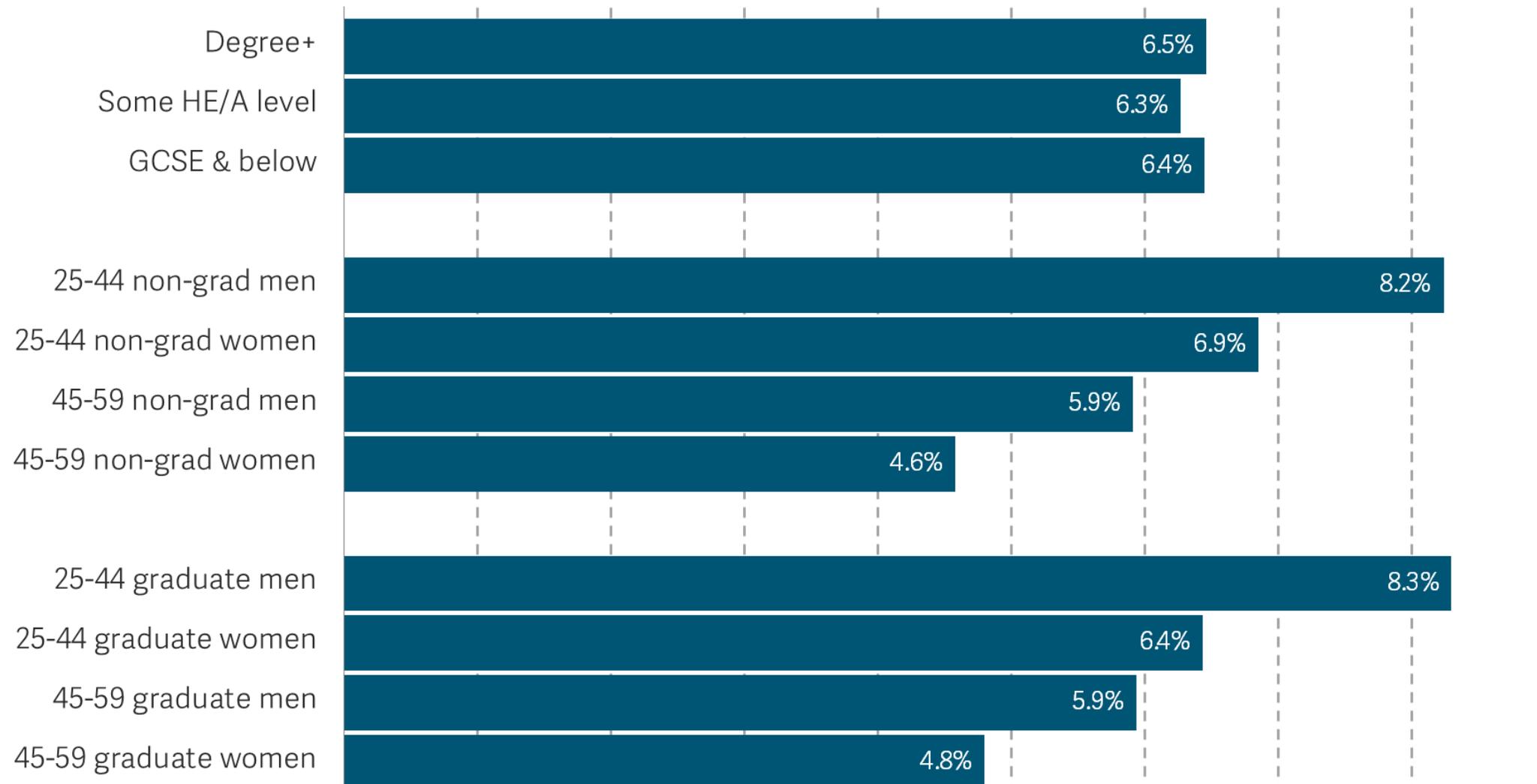
## Results part 2: Education and training as a means to change industry

Logistic regressions test for the effects of education and training taken two years ago have upon the odds of a person changing sector – saying nothing of whether that sector change yielded a pay rise.

# But first: industry changes from year-to-year are relatively rare, with younger men experiencing them at the highest rate



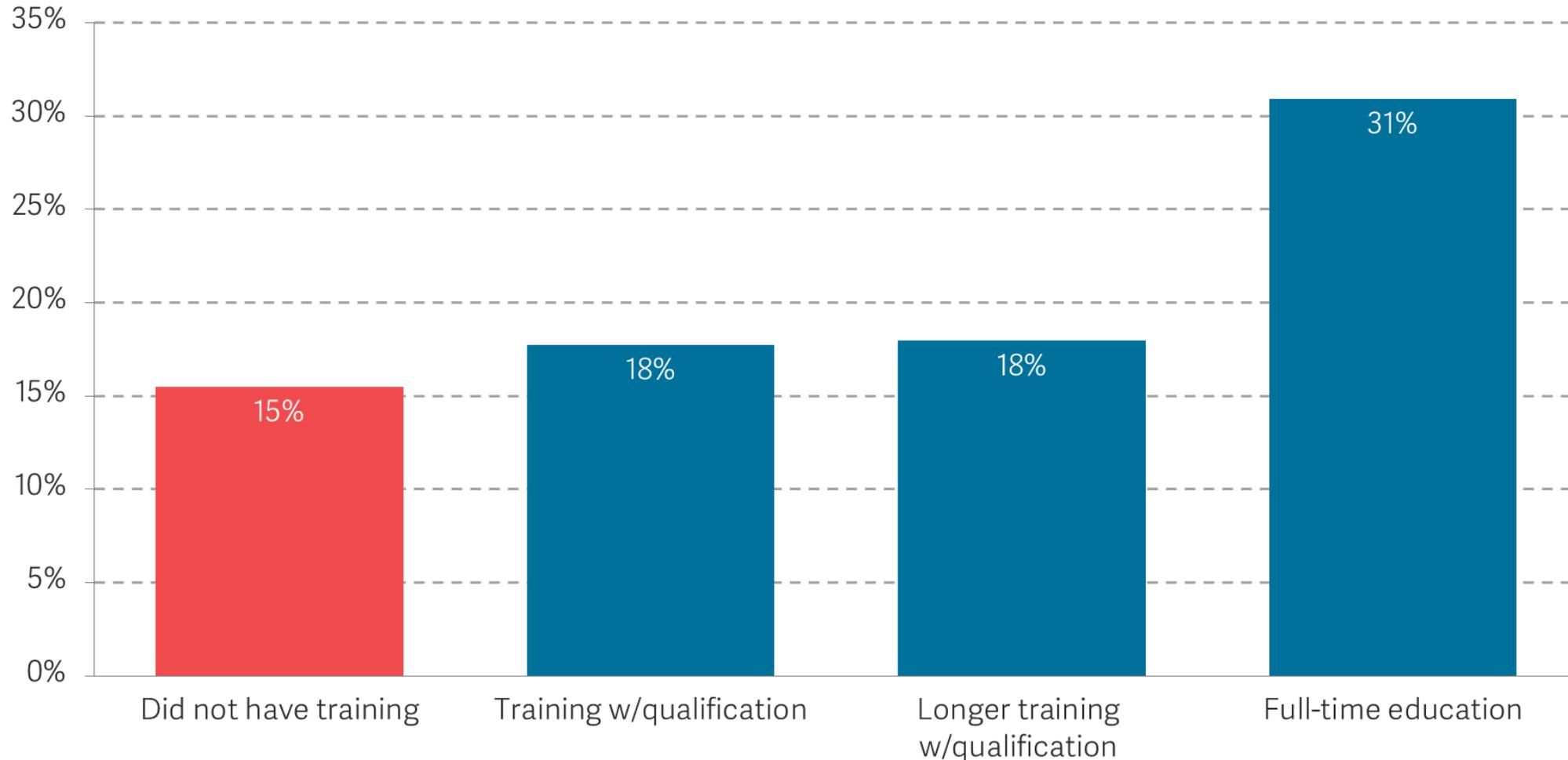
Proportion of 25-59-year-old workers changing one-digit industry between waves : UK, 2012-18



SOURCE: RF analysis of ISER, Understanding Society.

## Most forms of training appear to play a very small role in helping adults change industry – with full-time education an exception

Predictive proportion of 25-59-year-olds working in a different industry now as compared to three years ago, by type of training: UK, 2012-18



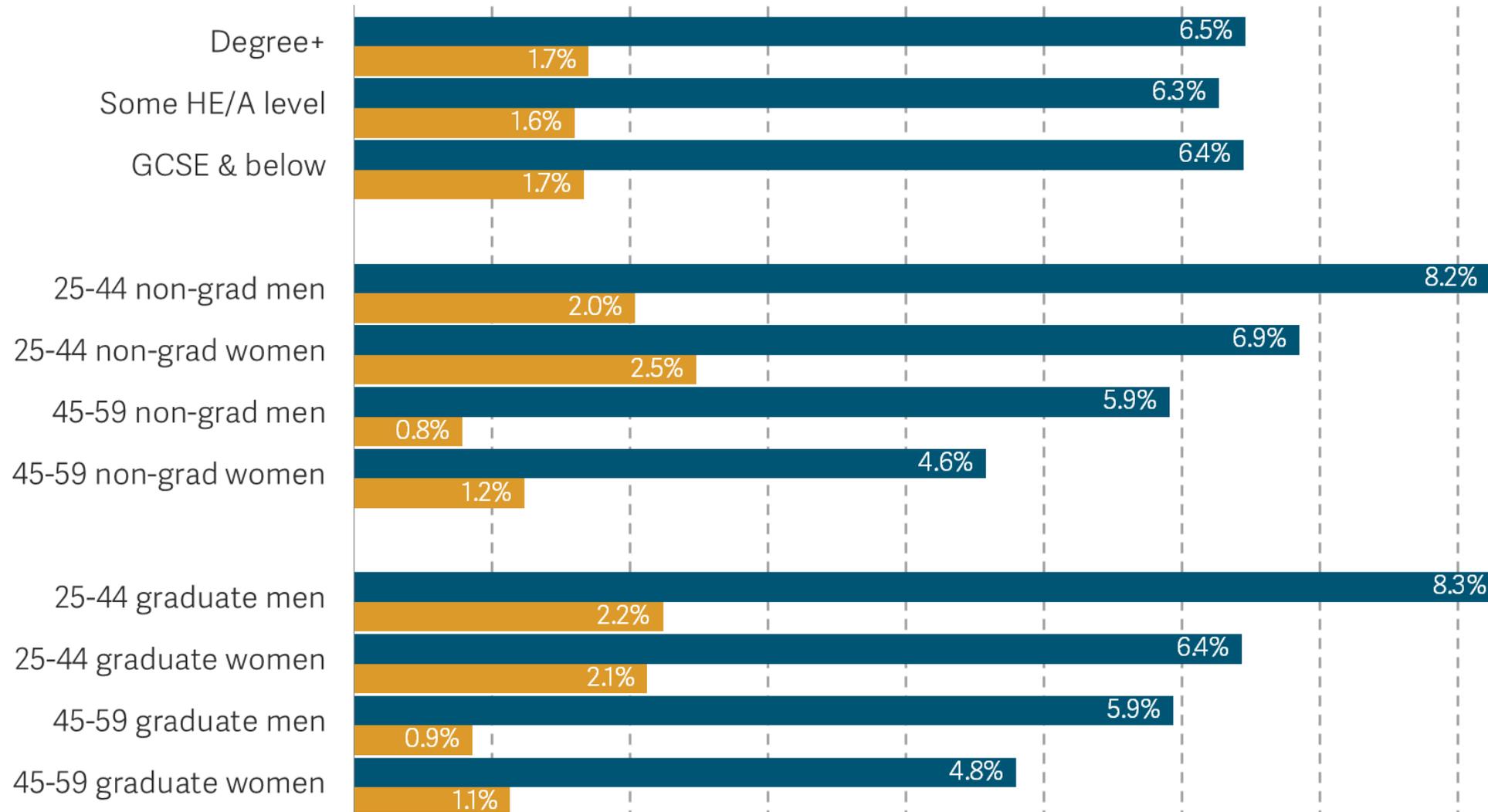
NOTES: Training undertaken two years prior. Regression analysis tests for the likelihood of returning to work, and being in work for one of the following three waves conditioned on the type of training undertaken. See report for details on control variables. Respondents classed as frequent trainers are removed, as are those who said their training purpose was 'hobbies' or 'health and safety.' Longer-than-median refers to training that lasted for more than 24 hours in total.  
SOURCE: RF analysis of ISER, Understanding Society.

## Results part 3: Education and training as a means to change industry *and* attain a pay boost

Logistic regressions test for the effects of education and training taken two years ago have upon the odds of a person changing sector and having monthly pay that is at least 10 per cent larger in real terms than it was three years ago.

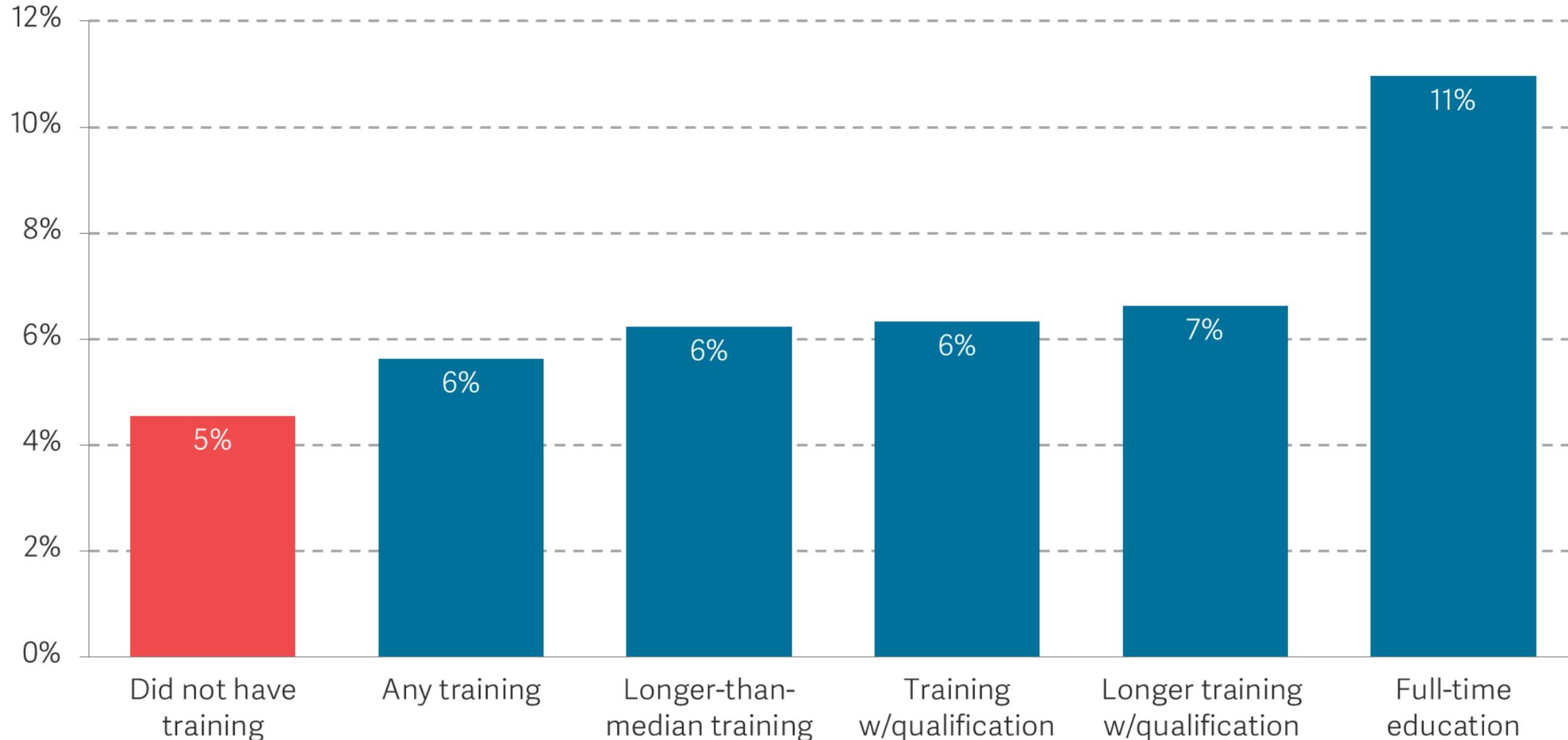
## But first, industry changes that come with a pay rise are even rarer...

Proportion of 25-59-year-old workers changing one-digit industry between waves and proportion both changing one-digit industry and experiencing a 10 per cent monthly pay rise: UK, 2012-18



# In most cases, the marginal effects of training on changing industry and getting a substantial pay rise are small

Predictive proportion of 25-59-year-olds working in a different industry and being paid at least 10 per cent more now as compared to three years ago, by type of training: UK, 2012-18



NOTES: Training undertaken two years prior. Regression analysis tests for the likelihood of returning to work, and being in work for one of the following three waves conditioned on the type of training undertaken. See report for details on control variables. Respondents classed as frequent trainers are removed, as are those who said their training purpose was 'hobbies' or 'health and safety.' Longer-than-median refers to training that lasted for more than 24 hours in total. SOURCE: RF analysis of ISE, Understanding Society.

# More intensive forms of training are associated with positive career changes for non-graduates

Selected predictive proportions of 25-59-year-olds working in a different industry and being paid at least 10 per cent more now compared to three years ago, by type of training and subgroup: UK, 2012-18

	No training	Any training	Longer-than-median training	Training w/qualification	Longer training w/qualification	Full-time education
All 25-59	5%	6%	6%	6%	7%	11%
High-level qualifications	6%	7%	7%	8%	8%	10%
Mid-level qualifications	6%	7%	8%	8%	9%	
Lower-level qualifications	5%	6%	6%	7%		
25-44 women, non-graduate	7%	10%		10%	12%	
45-59 men, non-graduate	2%					18%
45-59 women, non-graduate	4%					34%
25-44 men, graduate	7%				12%	24%
25-44 women, graduate	7%	10%	11%			
45-59 men, graduate	3%			7%		

NOTES: Training undertaken two years prior. Blank cells indicate results that were not statistically significant; cells are shaded according to the percentage difference in the predicted proportions of making a positive industry change without training and with that particular form of training. See report for details on control variables. Respondents classed as frequent trainers are removed, as are those who said their training purpose was 'hobbies' or 'health and safety.' Longer-than-median refers to training that lasted for more than 24 hours in total.

SOURCE: RF analysis of ISER, Understanding Society.

## So what does this all mean for policy?

- Education and training as one way to tackle the high levels of unemployment that we are likely to be facing, but it needs to be substantial, and will be even harder where labour-intensive sectors are hardest hit.

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- Education and training as one way to tackle the **high levels of unemployment** that we are likely to be facing, but it needs to be substantial, and will be even harder where labour-intensive sectors are hardest hit.
- Training for **reallocation is harder**: in the short-to-medium term, they should consider policies that would help adults change career by adopting more sector-focused job creation initiatives that have training built into them.
- In the medium-to-longer term: better policy to encourage adult education, ranging from **credit accumulation** to **living cost support** for both PT&FT FE study (e.g. equivalent to maintenance loans in England).

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