



Mutual investment for mutual benefit

Activating employers to shift young people's career trajectories



Sharon Bond & Marion Coddou, 2023



Executive summary



Brotherhood of St Laurence
Working for an Australia free of poverty

Declining employer investment in youth employment has contributed to poor outcomes for jobseekers and employers

While young people's employment rate has improved in Australia, the quality of job opportunities has declined over the past decade, with higher underemployment, a decline in average real income, and more years spent in insecure work at the bottom of the career ladder. At the same time, despite long-term skill shortages, employer contribution to the development of young people's training and career pathways has declined.

Insufficient recognition is given to the benefits of engaging employers in addressing youth employment challenges. Employers make decisions about how to recruit and develop staff that impact who takes up and benefits from job opportunities. Employer activation is critical to developing career pathways addressing current and future workforce needs – the challenge is in enabling employers to recognise and take on this role.

How can we enable employer engagement in youth employment solutions?

This report explores the systemic enablers of employer activation in the development of mutually beneficial employment solutions for young people. It draws on the experience of the Transition to Work Community of Practice (TtW CoP) in activating employers under a mutual investment for mutual benefit paradigm as a primary case study. The TtW CoP was a group of youth-specific public employment service providers across Australia convened in 2015 to collaborate on shared practice, policy and advocacy based on a common service model seeking to align community investment to provide employment opportunities for young people aligned with their strengths and aspirations.

Research methodology

This report is based on a review of international and Australian literature on employer activation and on qualitative research conducted in early 2022, which consisted of:

- focus groups with 14 TtW CoP Employment Engagement Officers (EEO) representing TtW CoP services in all Australian states and territories
- interviews with 14 employers in Victoria (n=3), Northern Territory (n=3) and Queensland (n=8). Industries included accommodation, hospitality, information technology, manufacturing, trade, vehicle management, land management, general hire, labour hire, sports coaching and the community sector.

Argument

The report takes a systems perspective on employer engagement and activation. It draws on systems theory to consider the ways in which the employment services system facilitates or constrains active employer development of young jobseekers. It argues that shifting employers' role in youth employment requires a change in:

1. **System mindsets** reframing the development of disadvantaged jobseekers – from individual and social responsibility to mutual investment for mutual benefit;
2. **System feedbacks** enabling employers and jobseekers to find and develop mutually beneficial working arrangements and access available supports;
3. **System governance** leveraging new forms of local to national organising structures integrating the perspectives of employers, jobseekers, training providers, community services, and policymakers.

Following some background on the TtW CoP structure, employer activation, and systems theory as applied to the employment system, the paper outlines the systemic changes required to enable employer engagement and highlights practical strategies used by the TtW CoP and its successor, the National Youth Employment Body, to catalyse change.

Project background



This research was commissioned by the Transition to Work Community of Practice (TtW CoP) to identify the barriers and enablers to employer activation.

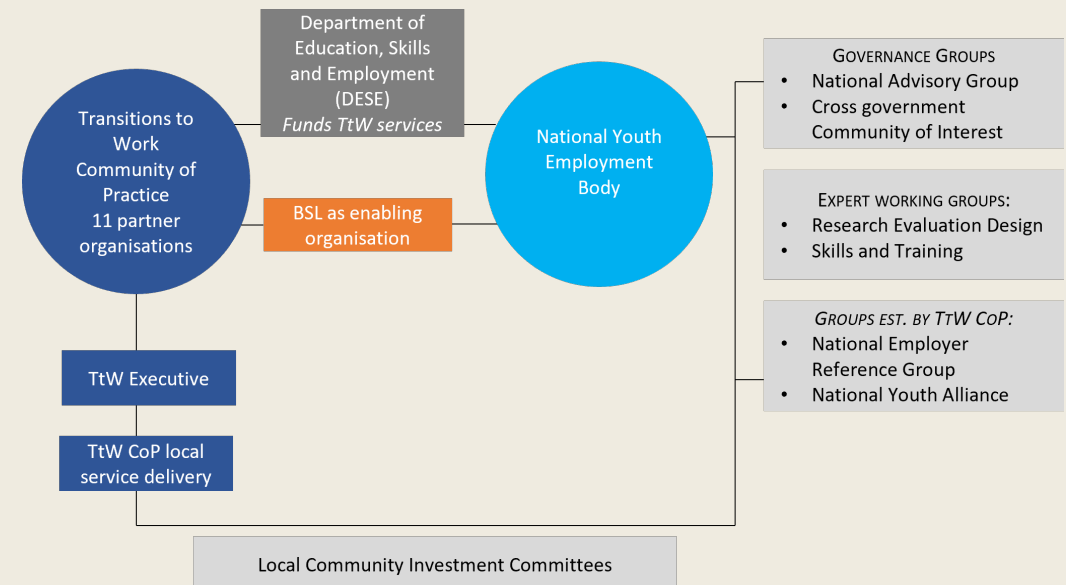
TtW is the national youth-specific public employment service (PES) that targets young people aged 15 to 24 years who have not completed year 12 or its equivalent and/or are at risk of long-term unemployment. This includes those receiving Youth Allowance, whose payment depends on their participation in either TtW or mainstream employment services (jobactive) and voluntary participants. TtW services are labour market intermediaries (LMIs) that bring workers and employers together to facilitate employment opportunities.

The TtW CoP, convened in 2015, comprised 11 organisations operating 13 services across Australia which:

- delivered a common service model based on an Advantaged Thinking practice approach, which aims to harness community investment to provide young people with opportunities to develop their aspirations and interests
- collaborated on shared practice, policy and advocacy
- established Community Investment Committees (CICs) of cross-sectoral stakeholders, including representatives of government, community, education and training sectors, and key local industry/employers. CIC members use their shared expertise and resources to inform local employment solutions.
- established the National Employer Reference Group (NERG) to use employer/industry expertise to identify employment solutions and good practice
- established the National Youth Alliance to include and respond to youth voice and experience through personal development workshops and youth employment advocacy.

The Brotherhood of St Laurence (BSL) acted as an enabling organisation for the TtW CoP, providing coordination and capacity building, including practice development, monitoring and evaluation, and facilitating CoP advocacy to government. It is also the enabling organisation for the National Youth Employment Body (NYEB) established in 2018. In 2021, three of the TtW CoP services and their CICs joined the NYEB. In addition to identifying local solutions for youth employment, the NYEB, through expert working and governance groups, creates local to national feedback loops to inform policy change.¹

Figure 1: Governance of the TtW CoP and NYEB



Shifting young people's career trajectories requires the active engagement of employers



While young people's employment rate has improved in Australia, the quality of job opportunities has declined over the past decade, with higher underemployment, declining average real income, and more years spent in insecure work at the bottom of the career ladder². At the same time, despite long-term skill shortages, employers' contribution to the development of young people's training and career pathways has declined.³

Current policy settings frame the problem of youth employment in terms of young people's lack of skills, lack of job readiness, and cost to train. The resulting employment system overemphasises supply-side interventions, with much less investment in demand-side interventions (Table 1). This policy imbalance has led to training churn, misalignment between training and skills shortage areas, and an emphasis on bringing young people into labour markets, rather than improving the conditions and quality of employment they find there.⁴

Insufficient recognition is given to the benefits of engaging employers in addressing youth employment challenges. Employers make decisions about how to recruit and develop staff that impact on who takes up and benefits from job opportunities.⁵ Employer activation is critical to developing career pathways addressing current and future workforce needs – the challenge is in enabling employers to recognise and take on this role.

Labour market intermediaries (LMIs) can play an important role in enabling employer activation, combining *supply* and *demand*-side interventions to achieve mutually beneficial outcomes for jobseekers and employers.⁶ In *bridging* interventions, LMIs integrate services and providers, provide practical supports to employers and jobseekers to navigate complex incentives and service offerings, and adapt evidence-informed practice to local context and needs. In systemic interventions, intermediaries that look beyond current labour markets can mobilise employers alongside other stakeholders to reshape systems reproducing poor employment outcomes.

Type	Description	Examples
Supply-side interventions	<ul style="list-style-type: none"> Build jobseeker capacity to access, attain and sustain work Human capital focus on skills, confidence and knowledge of individual jobseekers to enter and move around the market 	Jobactive; employability skills training; Work for the Dole; work experience programs; free TAFE courses
Demand-side interventions	<ul style="list-style-type: none"> Incentivise industry to build a skilled workforce Create work opportunities to meet employers' needs and decent work for jobseekers 	Cost reduction initiatives (wage subsidies, apprenticeship incentives, tax offsets); demand promotion (e.g. tourism); micro- enterprise initiatives; government procurement initiatives.
Bridging interventions	<ul style="list-style-type: none"> Support both jobseekers (supply) and employers (demand) to: <ul style="list-style-type: none"> Enable jobseekers to take up opportunities that meet the skill and diversity needs of employers/industry Link and match jobseekers with employers to fill positions Support retention through pre- and in-placement support for both parties. 	Information / data initiatives; matching initiatives (TtW CoP, Matchworks Job seeker and Disability Employment Service Provider)
Systemic interventions	<ul style="list-style-type: none"> Address complex and interconnected employment barriers and opportunities Connect, align and integrate investments across sectors. Facilitate collective action by labour market stakeholders. 	Community and government (bottom-up, top-down, and middle) programs; TtW and NYEB CICs; Jobs Hubs Tasmania; Work and Learning Centres (Vic.)

From Pellicciotta, C & Mallett, S 2022 (unpub.), Employment interventions typology, Brotherhood of St Laurence, Fitzroy, Vic.

Systems shaping employer activation

This report takes a systems perspective on employer engagement and activation. It draws on systems theory to consider how the employment services system facilitates or constrains active employer development of young jobseekers. It draws particularly on Donella Meadows' concept of leverage points: these are 'places within a complex system (a corporation, an economy, a living body, a city, an ecosystem) where a small shift in one thing can produce big changes in everything'.⁷

There are different types of leverage points with varied impact on shifting system behaviour, as mapped in Figure 2 with examples from employment policy. Meadows argues that most social policy debates focus on the adjustment of politically charged parameters, such as wage rates, subsidies, tax rates or spending on services. While these parameters are important in the short term, especially for the people who stand to benefit from their flows, they 'rarely change behaviour'. This is because the target system continues to operate under the same assumptions, goals, rules and power dynamics.

This report argues that shifting employers' role in youth employment requires a change in:

1. **System mindsets** motivating the development of disadvantaged jobseekers, from individual and social responsibility to mutual investment for mutual benefit
2. **System feedbacks** enabling employers and jobseekers to find and develop mutually beneficial working arrangements and access available supports
3. **System governance** leveraging new forms of local to national organising structures integrating the perspectives of employers, jobseekers, training providers, community services and policymakers.

The following pages outline the changes required and highlight practical strategies employed by the TtW CoP and NYEB to catalyse change.

Figure 2: Leverage points to intervene in a system

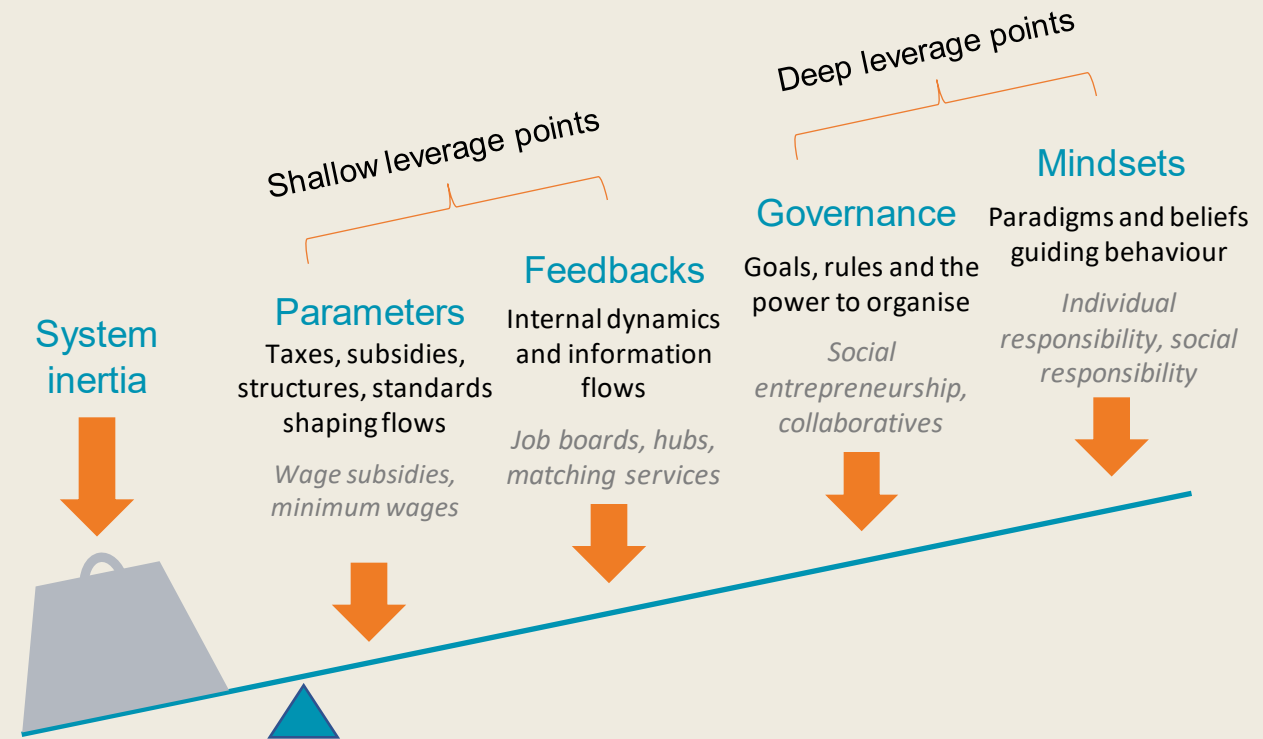


Diagram adapted from DJ Abson et al. 2017

1. Change system mindsets



Brotherhood of St Laurence
Working for an Australia free of poverty

From individual and social responsibility to mutual investment for mutual benefit

System mindsets and paradigms have an outsized impact on system behaviour because they determine the goals of the system and its governance. Yet system mindsets are often taken for granted as natural, operating below the surface of our awareness to shape our assumptions about how things work and our actions to influence them.⁸

The current employment system features two central paradigms. The dominant paradigm frames employment as an issue of 'individual responsibility', that is, each jobseeker holds primary responsibility for their employment status. In this paradigm, jobseeker employability is the primary reason for unemployment, rather than insufficient work. It is up to the jobseeker then to improve their employability, by developing their qualifications, skills and commitment in a way that delivers economic value to employers. This has become the dominant frame since the 1970s⁹, when international economic shocks and rising neoliberal ideology led to the abandonment of policies underpinned by the belief that it was the government's responsibility to maintain full employment by stimulating demand for work.

An alternative but less prominent paradigm in current policy settings is that of 'social responsibility'. This paradigm recognises that there are social benefits to employing jobseekers disadvantaged in the labour market, beyond the economic value they generate. These benefits could include social cohesion, community development or diversity of thought. The paradigm also recognises 'social responsibility' as shared by actors beyond government, including employers, acting according to community values. This paradigm is most evident in 'corporate social responsibility' programs in their many forms, which seek to balance the core economic objective of profit maximisation with the social and environmental impacts of that effort.¹⁰ This strategic balancing can generate greater economic value in the long term, as employers respond to the values of customers and employees, increasing engagement and retention and contributing to innovations in products and practices.

Social values are a primary driver of active employer engagement in labour market solutions enabling disadvantaged jobseekers.¹¹ However, embedded within the social responsibility paradigm is the assumption that disadvantaged jobseekers are a drain on economic value, at least in the short term, so employers' motivation for taking them on rests on a belief in the common good. From this perspective, 'social responsibility' framing can lead, at worst, to tokenistic solutions siloed from mainstream employment, and at best, to limited scope to expand beyond a set of altruistic employers to meaningfully transform the labour market.¹²

Mutual investment for mutual benefit, as conceived, developed and applied in the TtW CoP, provides an alternative basis for employer activation. Cominetti, Sissons and Jones argue that policy makers need to challenge 'misperceptions' of young people that prevent employers from viewing them a 'good investment' as well as to 'convince employers to take a longer-term view of the investment in their workforce'.¹³ Mutual investment does this by replacing the deficits narrative with an investment frame: if you invest in young people's workplace development, they will become valuable assets to your organisation. This value might be derived from bringing in diverse perspectives, connecting with diverse clientele, training young people in a way that meets particular needs, or enabling succession planning.

From the young jobseeker's perspective, investing their skills, knowledge and commitment with the employer should then be reciprocated in opportunities for development that increase their value to the employer and in the labour market, as well as working arrangements that provide flexibility and security that enable their participation in other areas of life.

Mutual investment starts by understanding employer and jobseeker needs and identifying common goals. This can be supported by a labour market intermediary, such as TtW. Mutual investment can also involve other parties beyond the employer, jobseeker and intermediary, as multiple actors in the employment system collaborate to develop sustainable opportunities contributing to both increased productivity and a well-functioning society.

1. Change system mindsets (cont.)



Brotherhood of St Laurence
Working for an Australia free of poverty

Four strategies to engage employers through a mutual investment paradigm

According to the literature, paradigm change is achieved by highlighting the ‘anomalies and failures’ of existing paradigms, inserting champions of the new paradigm in places of public visibility and power, and working with ‘active change agents and the vast middle ground of people who are open minded’.¹⁴ Interviews with TtW staff and employers surfaced four strategies to shift employer mindsets toward a mutual investment logic and engage them in offering career opportunities for young people. These strategies were employed by TtW CoP services and Community Investment Committees (CICs).

- 1. Develop a campaign** to highlight young people’s assets in the labour market, rather than their deficits, and champion employer activation on the basis of mutual investment. The Campaign counters negative press about young people by demonstrating their value to employers. It includes promoting examples of employers who invested in young people and the benefits they generated. It uses traditional media, social media, professional and personal networks, and word of mouth to share these positive examples to motivate further engagement.¹⁵
- 2. Recruit employer champions** to promote the mutual investment paradigm and recruit and mentor other employers. Their role can range from sharing advice, to showing others how young people have contributed at their workplace or inviting other employers to participate in local career exploration activities or programs.¹⁶ Employer champions can also take leadership roles within CICs, advocating local investment in young people and working across industries and sectors to develop local employment solutions. TtW providers targeted employers in growth industries and areas where young people had expressed interest, through local networks, business, peak and industry bodies.

Employer contribution can be further incentivised through opportunities to promote their business, accreditation or certification schemes that recognise good practice and enhance their reputation among potential recruits and customers, and using their services or goods as part of LMI operations and activities.¹⁷

- 3. Build trusting relationships** by learning about and responding to employer needs or establishing the value proposition that will drive engagement. The TtW CoP model seeks to activate employers by building trust grounded in a genuine understanding of – and desire to support – employer needs. Building trusting relationships can take time and involves LMIs implementing regular and varied contacts with employers to share information and provide value. Within a mutual investment frame, relationships must be open, honest and based on identified shared goals, rather than the need to meet employment service KPIs. The focus should be on the best outcome for the employer and young person, even if that means referral to another employment service or labour hire company that could provide more suitable candidates. This can lead to reciprocal referrals from those services, or to contacts with other employers recruiting for different roles.
- 4. Offer a broad range of investment opportunities** tailored to the expertise and capacity of employers. These opportunities include contributing to careers exploration or job readiness activities, providing work experience or job placements, becoming an employer champion or a CIC member to develop local employment solutions. Providing multiple options seeks to bring employers ‘into the fold’ even if in a limited way, or at least have them ‘think of us next time’.

2. Change system feedbacks

Reshaping employment information flows to create new opportunities

System feedbacks are the internal dynamics that shape the availability and distribution of resources. System designs can generate self-reinforcing loops, such as 'success accruing to the successful', or checks on those loops, like universal public education and progressive tax. According to Meadows, 'missing feedback is one of the most common causes of system malfunction', which is why 'adding or restoring information can be a powerful intervention'. In the employment system, poor information flows can contribute to skill shortages, over-supply and untapped productivity.

Social networks are key channels by which information on opportunities and supports flows. LMIs like TtW services seek to build networks across industries and services in a community to ensure employers and jobseekers can access relevant information and supports. In doing so, they bridge supply and demand to identify and enable the mutual goals of all parties. Their role is to establish the value proposition for mutual investment by understanding and responding to employer skill needs through tailored assistance that continues throughout the staffing cycle from recruitment to post-placement support.

A review of the literature and interviews with TtW staff and employers identified **five practices that facilitate the information flows needed to enable mutual investment within the current employment system**. While these practices can create space to generate mutually beneficial working arrangements, they are designed to assist people to better navigate system rules, rather than to transform them.

1. **Employer liaison roles** support employers to offer opportunities to disadvantaged jobseekers.¹⁸ TtW CoP Employer Engagement Officers (EEOs) identify and engage with individual employers, seek to understand their needs, and open new pathways into the labour market for jobseekers. This role includes identifying barriers, devising solutions, and providing practical support to employers and jobseekers, including navigating system supports and identifying appropriate training.

2. **Expertise to navigate system supports** becomes critical due to the complexity of existing state and Commonwealth employment incentives, each with varying eligibility, target groups, compliance requirements and application processes.¹⁹ The incentives include wage subsidies, apprenticeships and traineeships, and no-interest loans. LMIs identify incentives that respond to the needs of the employer and support them in managing this complexity.²⁰
3. **Matchmaking for mutual benefit** involves aligning employer staffing needs with job candidate interests and skills. LMIs manage the expectations all parties, for example, in relation to work readiness, training and support needs²¹ and offer value by only referring candidates with the requisite skills to the employer. This saves employers' time and resources. Some employers spoke of how the TtW tailored response stood in contrast to the numerous and poor quality applications they received from other PES, driven by contract KPIs, work-first policy limiting assessment of appropriate fit, and mutual obligation activities.
4. **Pre-employment support** to streamline onboarding is provided by TtW CoP services. This includes organising access to identity documents such as birth certificates, the lack of which can be a barrier to employment for disadvantaged jobseekers; Working with Children Checks; job readiness training; literacy checks; basic industry tickets, cards and licences; uniforms and basic equipment. This support makes it easier for employers to take on young people and saves both parties time and money.
5. **Post-placement support**, 'after care' or 'newcomer socialisation' to the workplace²² supports employers and jobseekers to maintain placements and work through any issues, through progress tracking, mentoring, encouragement, advice (e.g. about referring jobseekers to other social supports and increasing organisational and professional capacity for inclusive hiring).

3. Change system governance



Brotherhood of St Laurence
Working for an Australia free of poverty

Enabling self-organisation through local to national, cross-sectoral solutions

One of the greatest challenges in developing mutually beneficial employment policies is 'striking the balance between the interests of unemployed people and employers and understanding what factors and wider conditions need to be in place for stakeholder benefits to be shared'.²³ A mutual investment paradigm implies shifting employment system governance to enable the contribution of actors previously uninvolved in shaping system rules. Where governance arrangements create power imbalances or the right people are not involved, system rules can be skewed towards particular interests or address only part of the problem. Meadows states, 'If you want to understand the deepest malfunctions of systems, pay attention to the rules and who has power over them'.²⁴

Nationally determined employment policy results in system rules that are not responsive to local conditions and other dynamics shaping recruitment and retention, supply and demand. For example, many employers in this study spoke about broader community issues hampering their efforts, such as limited transport infrastructure, support services and affordable housing, as well as inappropriate training offerings. The complex, intersecting causes of youth employment cross multiple sectors and parliamentary portfolios and play out differently across communities. An employment system founded on mutual investment relies on governance arrangements that enable employers to contribute alongside other system actors from the local to national levels in shaping policy.

Decentralised governance devolves authority and responsibility to enable local experimentation and adaptation, drawing on cross-sectoral experience and insights.²⁵ When this is paired with national feedback loops, employers can work with government, community and training sectors across communities to inform the design of national employment policy and programs.²⁶

The TtW CoP and NYEB aim to build the capacity of communities to establish and lead Community Investment Committees comprising cross-sectoral local stakeholders, including employers, who share the goal of creating decent work for young people. CICs identify systems barriers to youth employment and develop action plans and collaborative projects that respond to local need.²⁷ The NYEB's governance structure is also designed to create feedback loops so that national policy can enable and resource local initiatives, which in turn can inform national policy.²⁸

While the development and coordination of CICs requires resourcing, these local collaborative structures can potentially continue beyond the life of individual services like TtW, whose periodic recasting and defunding can disrupt community networks.

Case study: Collaborating on entry-level training and employment pathways

Employers involved with TtW identified a misalignment between the training provided to young people and the skills needed for roles in their businesses. To address this problem, some TtW services collaborated with employers and training providers to co-design training. Actively involving employers as co-producers in implementing policies to train and hire those experiencing unemployment leads to more flexibility in job demands and greater satisfaction with outcomes.²⁹ The NYEB Skills Trial, which included TtW services, offered pathways into employment in aged care and disability support, with 81 per cent of participants completing the skillset and industry placement. The Trial evaluation found that employers regarded it as a more effective recruitment option than existing employment services and characterised it as an investment in workforce development.³⁰ Research suggests that initiatives like this are most effective when they not only address jobseeker job readiness, but involve employers in addressing the quality of the work and the attractiveness of conditions that contribute to retention and workforce development.³¹

3. Change system governance (cont.)

Solutions generated through collaborative system governance

Employers identified a number of systemic challenges in their efforts to employ young people. In these challenges lie opportunities (or leverage points) to change the rules and dynamics of the employment system. In collaboration with LMIs, training providers, government and community services, employers can play a key role in creating an employment system that generates mutually beneficial employment opportunities.

Career development

Challenge: Employers view investing in the employment and training of young people as a risk because they expect many to change career tracks, leaving employers without a return on their investment.

System issue: Limited career exploration and work experience opportunities for young people

Collaborative solution: To address this gap, employers collaborate with partners to develop careers tasters and work experience. These offer a low-risk trial for both jobseeker and employer to assess mutual benefit. Employers have also worked with partners to develop policies and practices enabling ongoing on-the-job training and career development.

Onboarding & retention

Challenge: Employers report barriers to hiring and retaining young people that are external to the labour market (e.g. availability of transport, care, housing, health services).

System issue: Interventions narrowly focused on employment fail to account for the multiple and complex barriers to employment that cross sectors and portfolios.

Collaborative solution: Employers identify broader systems barriers to effective pre- and post-placement support for young people from TtW. CICs codesign local solutions with other stakeholders across sectors, leveraging the NERG/NYEB governance groups to influence national policy.

Skills and training

Challenge: Employers report that young people lack job-relevant training. This can be due to employment service referrals to irrelevant courses or difficulty locating relevant training of an appropriate duration.

System issue: Misalignment between training sector and industry/employer needs

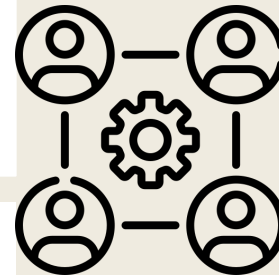
Collaborative solution: Employers work with training organisations and LMIs to codesign pre-employment programs that recruit, skill and place young people. CICs implement this locally and use NERG/NYEB governance groups to influence national systems/policy change.

Recruitment networks

Challenge: Employers are inundated with applications from unsuitable job applicants and/or have difficulty sourcing appropriate candidates.

Issue: Competitive PES market incentivises quick job placement and 'work first' compliance encourages aimless job search activity.³² Local recruitment networks developed by LMIs reliant on Commonwealth funding are disrupted by electoral and funding cycles.

Collaborative solution: Public commissioning that prioritises (1) community collaboration over competition and (2) sustainable community networks (e.g. CICs) that include employers and harness cross-sectoral expertise and diverse resources so as to prevent being eroded when services are retendered or defunded.



Mutual investment in practice



Brotherhood of St Laurence
Working for an Australia free of poverty

Mark*, a labour hire employer

Labour hire companies are the legal employers for their workers while meeting the demand of their employer clients for skilled and reliable staff.

Change system mindsets: Mutual investment for mutual benefit

Short-staffed with major events looming, Mark's initial response to the suggestion of working with TtW was: 'Oh, kids. No!' In dire need, he attended a meeting with a TtW EEO, who arrived with a group of young people: 'We interviewed them and found out they were just what we needed!' Mark arranged some basic hospitality training and put the young people to the test at an outdoor event. They performed well and went on to work in other roles, some still with the company today.

Identifying the value proposition

Learning more about TtW's role in providing young people with opportunities, Mark saw how lack of appropriate training and experience prevented young people from filling the needs of his clients. He collaborated with TtW and jobactive providers to access subsidised training for young people who gained experience at the labour hire company. In addition to meeting the workforce demand, this provided an opportunity to 'grow our brand', and to address the negative reputation of labour hire in the community.

Recognising and investing in young people's strengths

Mark's collaboration with the TtW service offers young people the chance to get their 'work boots on' and gain 'a start'. The company offers decent work with adult (rather than junior) wages because they expect young people to work as hard as adults. In time, this leads to career opportunities, with Mark and client employers supporting the young people to gain apprenticeships and roles in other sectors. Mark, together with TtW, work with the young person's support network to build the understanding and capacity of employers to help them succeed in the work environment.

For one young man with anxiety and depression, this involved Mark spending time at the worksite until the man felt comfortable. Success in this role led to subsequent roles and more recently, a career with the police.

The role of the employer champion

Mark's strengths-based approach and championing young people in addressing skill shortages has given the labour hire company a well-deserved positive reputation in the community. Other major national employers approached him to explain his diversity program. Mark advised them on how to invest in young people including Indigenous Australians and those with disabilities, through apprenticeships and accredited training. This upskilling accompanied by work placements would enable the companies to 'get their warehouse fully staffed and operational'.

Change system feedbacks

As a labour hire employer, Mark supports his clients to take on young people, saying: 'What have you got to lose? Take a risk, take the chance. If you're having issues, call me and I'll help you' He says: 'Once employers get a taste of the opportunities, their mindset changes'. He regarded TtW's comprehensive support as superior to that of many jobactive providers, saying that it 'encapsulates all your needs ... everything they do is what every employer needs to employ a young person from start to finish'.

Change system governance

The re-tender of local PES and TtW services has negatively impacted Mark's professional networks and access to a supply of workers for client projects. High-performing providers have been defunded and often replaced by providers that do not have strong local community connections. Mark questioned the logic of this decision: 'We'd finally got services that work' and 'great outcomes' but now 'the web of employment I put in [major regional town] has just collapsed'.

*Pseudonym

Mutual investment in practice (cont.)



Brotherhood of St Laurence
Working for an Australia free of poverty

Ben*, a car wash operator

Ben runs a car cleaning business in a major tourist destination. They have a constant need of reliable workers, but the low unemployment rate has left them 'struggling for employees'. While no special skills are required, applicants need to be able to handle fast-paced, outdoor, manual tasks while doing a quality job.

Change system feedbacks

Matchmaking for mutual benefit

The local TtW CoP service provided Ben with matchmaking services which he valued: 'I find [TtW] is really good at filtering. They don't tend to give me people that aren't keen to be working outside because they're not going to last. They're actually really good at giving me people that are going to be successful in the job.'

'I find young people are really good. You train them from scratch so they don't necessarily have bad habits ... [You] hold them accountable and they do it at an efficient rate because they're young and fit.'

Ben often took on young people with no previous work experience, to provide 'a foot in the door'. While the work did not suit all, many stayed up to 12 months and used the work as a 'stepping stone' into apprenticeships. He also had a few staff remain for 3 to 4 years and move into management roles at the carwash.

While young workers required more management, it paid off: 'I do find as long as you've got a good culture and really good values and rules and you sort of hold them accountable to those, they are really responsive to that.' Ben was skilled at managing young workers to keep them on a 'good path to find a career'. TtW also provided post placement support by remaining in contact with employees and helping to resolve any issues.

Expertise to navigate system supports

A key support Ben received from TtW was help navigating the wage subsidy system by explaining it and brokering it, periodically sending him forms to sign: 'It's very rewarding to get a wage subsidy. [The TtW service was] good at explaining it, supplying me with people and subsidies. They have a really good process.'

Subsidies and traineeships enabled Ben to offer part and full-time jobs to retain promising young people who had previously been employed casually. These staff received accredited training in management and business offsite, with Ben providing work-based training in car washing and detailing techniques. He noted that in a busy car wash, it was easy to defer training, so the traineeship requirement 'helped our business' by increasing employees' skills and the roles they could fill. For one young person, he said it 'helped him develop his skills to grow into a junior manager position ... One of the best things I ever did is putting him in a traineeship.' The young staff enabled him to grow his business.

Change system governance

Ben is an employer champion. In the past, he attended lunch meetings with other local employers to 'explain the benefits of [working with TtW] to try and get other employers on board'. However, the local TtW provider was unsuccessful in its tender to continue offering services, so their initiatives to engage and support employers like Ben have ceased. Ensuring these support networks are not lost requires investment in local collaborative governance structures.

**Pseudonym*

Participants' comments



Brotherhood of St Laurence
Working for an Australia free of poverty

I say to young [Aboriginal and Torres Strait Islander] kids, 'If you really want to be the change, come and work with me and I'll show you how to be the change'. My next step is to say to businesses, 'We've got a bunch of young people who are job ready because they are the change'.

Trades employer

[Mutual investment in practice means] getting the employer to invest, the young person to invest, so everybody's got a bit of ownership over it.

TtW Employer Liaison Officer

At the moment with the workforce being how it is, employers are going to have to change. They are going to have to be more committed to working with young people and putting a bit more in to get a good outcome.

Accommodation employer

We actively target employers and work out how we can bring them into the fold. That 'what's in it for me' scenario. They might not have jobs but can offer a site tour or talk to young people who have an interest in that industry. Something is better than nothing to break down those barriers.

TtW Employer Liaison Officer

Corporate social responsibility (CSR) relates to the way businesses/organisations balance their economic activities with their social and environmental responsibilities (UNIDO 2020). This is often expressed in a corporate policy document.

Labour market intermediaries (LMIs) are entities or institutions that mediate between workers and employers to inform, facilitate or regulate the matching of jobseekers to employment opportunities, how work is accomplished and sustained, and how conflicts are resolved (Autor 2009).

LMIs vary in funding, mission and scope. They include public employment services (e.g. jobactive, TtW), community organisations supporting job seekers experiencing forms of disadvantage, commercial recruitment, member-based organisations, labour hire companies and information exchanges (Bowman & van Kooy 2016 unpub.). LMIs seek to engage employers by tailoring services and opportunities to their needs.

Public employment services (PES) are government-funded organisations that match employees to employers. In Australia, Workforce Australia (formerly jobactive) is the mainstream provider of PES, with other services targeting specific jobseeker groups (for example, Disability Employment Services (DES) and Transition to Work (TtW) which has a youth focus).

Public procurement relates to the process by which federal, state and local governments purchase the goods, services and works they require to operate (Tremblay & Boyle 2018).

Notes



Brotherhood of St Laurence
Working for an Australia free of poverty

1. Borlagdan, J, Phillipou, A, Miles, F & Bak, J 2022, *From place to population impact: National Youth Employment Body developmental evaluation final report*, Brotherhood of St Laurence, Fitzroy, Vic.; BSL Youth Opportunities Team 2021 (unpub.), National Youth Employment Body Outcomes evaluation: interim report, Brotherhood of St Laurence, Fitzroy, Vic.
2. Flynn, J, Mader, P, Oosterom, M & Ripoll, S 2017, [Failing young people? Addressing the supply-side bias and individualisation in youth employment programming](#), Evidence Report No 2016, Institute of Development Studies, England, viewed 15 March 2022, cited in SVA, AAE & PwC 2021, [What will it take? Creating better, more sustainable jobs for young people](#), Social Ventures Australia, the Apprenticeship Employment Network & PricewaterhouseCoopers Consulting, a research paper by SVA and AEN with analysis by PwC, viewed 19 January 2022.
3. Ruiz, C, Bartlett, D & Moir, E 2019, 'Welcome to your first job: expect to be underpaid, bullied, harassed or exploited in some way', *The Conversation*, 13 February; SVA, AEN & PwC 2021, [What will it take? Creating better, more sustainable jobs for young people](#), Social Ventures Australia, the Apprenticeship Employment Network & PricewaterhouseCoopers Consulting, a research paper by SVA and AEN with analysis by PwC, viewed 19 January 2022; Young Workers Centre 2021, [A broken system: How insecure work hurts young workers](#), Unions ACT, Canberra, viewed 4 July 2023.
4. Flynn, J, Mader, P, Oosterom, M & Ripoll, S 2017, [Failing young people? Addressing the supply-side bias and individualisation in youth employment programming](#), Evidence Report No 2016, Institute of Development Studies, England, viewed 15 March 2022; World Bank 2012, [World development report 2013: jobs](#), World Bank, Washington DC, viewed 4 July 2023.
5. Bills, DB, Di Stasio, V & Gërkhani, K 2017, 'The demand side of hiring: employers in the labor market', *Annual Review of Sociology*, vol. 43, no. 1, pp. 291-310.
6. Bowman, D & van Kooy, J 2016 (unpub.), From matchmaking to changemaking: re-imagining labour market intermediation, Brotherhood of St Laurence, Fitzroy, Vic.; van Kooy, J, Bowman, D & Bodsworth, E 2014, *Understanding employer engagement programs for disadvantaged jobseekers: an exploratory study*, Brotherhood of St Laurence, Fitzroy, Vic.
7. Meadows, D 1999, *Leverage points: places to intervene in a system*, The Sustainability Institute, Hartland, Vermont, USA, pp. 1 & 19.
8. See for example Goodman's Iceberg Model, in Goodman, M 1997, Systems thinking: what, why, when, where, and how?, *The Systems Thinker*, vol. 8, no. 2, pp. 6–7.
9. Smith, W 2017, *Unemployment policy in Australia: a brief history*, Per Capita, Melbourne.
10. United Nations Industrial Development Organization 2020, [What is CSR?](#), UNIDO, Vienna, viewed 4 July 2023.
11. van Kooy, J, Bowman, D & Bodsworth, E 2014, *Understanding employer engagement programs for disadvantaged jobseekers: an exploratory study*, Brotherhood of St Laurence, Fitzroy, Vic.
12. Mupanemunda, M 2020, *The promise of social procurement: Leveraging purchasing power to create inclusive employment opportunities*, Library Fellowship Paper, Parliamentary Library & Information Service, Parliament of Victoria., Melbourne.
13. Cominetti, N, Sissons, P & Jones, K 2013, *Beyond the business case: the employer's role in tackling youth unemployment*, The Work Foundation, Lancaster University, Lancaster.
14. Meadows, D 1999, *Leverage points: places to intervene in a system*, The Sustainability Institute, Hartland VT, p.1 & 19.
15. Bond, S & Keys, D 2020, *Finding that spark: what works to achieve effective employment services for young people?*, Brotherhood of St Laurence, Fitzroy, Vic.
16. McColl Jones, N, Cull, E, Joldic, E, Brown, D & Mallett, S 2021, *Transition to Work Community of Practice: Practice Guide - revised*, Brotherhood of St Laurence, Melbourne.
17. Cominetti, N, Sissons, P & Jones, K 2013, *Beyond the business case: the employer's role in tackling youth unemployment*, The Work Foundation, Lancaster University, Lancaster.
18. Thies, A, Warr, D, Mallett, S & Brown, D 2021, [10 strategies for improving employment outcomes for people with disability](#), Brotherhood of St Laurence, Fitzroy, viewed 20 January 2022.

Notes (cont.)



Brotherhood of St Laurence
Working for an Australia free of poverty

19. Bowman, D, Borlagdan, J & Bond, S 2015, [Making sense of youth transitions from education to work](#), Brotherhood of St Laurence, Fitzroy, Vic.; Eurofound 2012, [Effectiveness of policy measures to increase the employment participation of young people](#), European Foundation for the Improvement of Living and Working Conditions, Luxembourg, viewed 4 July 2023; ILO 2012, [The youth employment crisis: a call for action](#), Resolution and conclusions of the 101st Session of the International Labour Conference, Geneva; S4YE (Goldin, N with P Glick, M Lundberg, & S Puerto 2015, [Towards solutions for youth employment: a 2015 baseline report](#), Solutions for Youth Employment, Washington D.C., viewed 4 July 2023.
20. Bryant, M 2022 (unpub.), [Mutual obligation](#), Brotherhood of St Laurence; SVA, AAE & PwC 2021, [What will it take? Creating better, more sustainable jobs for young people](#)
21. Myconos, G, Clarke, K & Ng, C 2022, [National Youth Employment Body: Entry to Care roles skills trial: evaluation findings and implications for systemic change](#), Brotherhood of St Laurence, Fitzroy, Vic.
22. Kraak, A 2015, [Conceptualising the role of intermediaries in the youth labour market: a survey of the global literature](#), The Research Project on Employment, Income Distribution and Inclusive Growth (REDI3x3), Cape Town, viewed 26 January 2022.
23. van der Aa, P & van Berkel, R 2014, 'Innovating job activation by involving employers', *International Social Security Review*, vol. 67, no. 2, p. 25.
24. Meadows, D 1999, *Leverage points: places to intervene in a system*, The Sustainability Institute, Hartland, Vermont, USA.
25. Richards, S (ed.), *Regional policy and complexity: towards effective decentralization*, published as part of the IPPR focus on New Era Economics, Institute for Public Policy Research (IPPR), London, United Kingdom, p. 13
26. OECD 2019, [Engaging employers and developing skills at the local level in Australia](#), OECD Reviews on Local Job Creation, OECD Publishing, Paris.
27. Monson-Wilbraham, L, with James, S, Mallett, S, Cull, E & McLachlan, E 2020, [The National Youth Employment Body Practice Guide: a guide to strengthening youth employment pathways – local to national](#), Brotherhood of St Laurence, Melbourne, viewed 25 January 2022.
28. Borlagdan, J, Phillipou, A, Miles, F & Bak, J 2022, [From place to population impact: National Youth Employment Body developmental evaluation final report](#), Brotherhood of St Laurence, Fitzroy, Vic.; BSL Youth Opportunities Team 2021 (unpub.), [National Youth Employment Body Outcomes evaluation: interim report](#), Brotherhood of St Laurence, Fitzroy.
29. van der Aa, P & van Berkel, R 2014, 'Innovating job activation by involving employers', *International Social Security Review*, vol. 67, no. 2, pp. 11-27.
30. Myconos, G, Clarke, K & Ng, C 2022, [National Youth Employment Body: Entry to Care Roles Skills Trial: evaluation findings and implications for systemic change](#), Brotherhood of St Laurence, Fitzroy
31. Froy, F & Giguère, S 2010, [Putting in place jobs that last: a guide to rebuilding quality employment at local level](#), OECD Local Economic and Employment Development (LEED) Papers 2010/13, OECD.
32. Bowman, D & Randrianarisoa, A 2018, [Missing the mark: employer perspectives on employment services and mature age jobseekers in Australia](#), Brotherhood of St Laurence, Fitzroy, Vic.

References



Brotherhood of St Laurence
Working for an Australia free of poverty

- Abson, DJ, Fischer J, Leventon J, Newig J, Schomerus T, Vilsmaier U, von Wehrden H, Abernethy P, Ives CD, Jager NW, Lang DJ 2017, 'Leverage points for sustainability transformation', *Ambio*, vol. 46, no. 1, pp. 30-39. doi: 10.1007/s13280-016-0800-y. Epub 2016 Jun 25.
- Australian Government Department of Employment 2015, [Request for proposal for Transition to Work 2016–2020](#), viewed 11 July 2023.
- Autor, D 2009, 'Studies of labor market intermediation: introduction', in D Autor (ed.), *Studies of labor market intermediation*, University of Chicago Press, Chicago.
- Bills, DB, Di Stasio, V & Gërkhani, K 2017, 'The demand side of hiring: employers in the labor market', *Annual Review of Sociology*, vol. 43, no. 1, pp. 291-310.
- Bonet, R, Cappelli, P & Hamori, M 2013, 'Labor market intermediaries and the new paradigm for human resources', *Academy of Management Annals*, vol. 7, no. 1, pp. 341-92.
- Borlagdan, J, Phillipou, A, Miles, F & Bak, J 2022, *From place to population impact: National Youth Employment Body developmental evaluation final report*, Brotherhood of St Laurence, Fitzroy, Vic.
- Bowman, D, Borlagdan, J & Bond, S 2015, [Making sense of youth transitions from education to work](#), Brotherhood of St Laurence, Fitzroy.
- Bowman, D & Randrianarisoa, A 2018, *Missing the mark: employer perspectives on employment services and mature age jobseekers in Australia*, Brotherhood of St Laurence, Fitzroy, Vic.
- Bowman, D & van Kooy, J 2016 (unpub.), *From matchmaking to changemaking: re-imagining labour market intermediation*, Brotherhood of St Laurence, Fitzroy, Vic.
- Bryant, M 2022 (unpub.), *Mutual obligation*, Brotherhood of St Laurence.
- BSL (Brotherhood of St Laurence) 2018, [A fit-for-purpose national youth employment service: submission to the Future Employment Services Consultation](#), Brotherhood of St Laurence, Fitzroy, Vic.
- BSL Youth Opportunities Team 2021 (unpub.), *National Youth Employment Body Outcomes evaluation: interim report*, Brotherhood of St Laurence, Fitzroy, Vic.
- Eurofound 2012, [Effectiveness of policy measures to increase the employment participation of young people](#), European Foundation for the Improvement of Living and Working Conditions, Luxembourg, viewed 4 July 2023.
- Flynn, J, Mader, P, Oosterom, M & Ripoll, S 2017, *Failing young people? Addressing the supply-side bias and individualisation in youth employment programming*, Evidence Report No 2016, Institute of Development Studies, England, viewed 15 March 2022, <<https://www.ids.ac.uk/publications/failing-young-people-addressing-the-supply-side-bias-and-individualisation-in-youth-employment-programming/>>.
- Froy, F & Giguère, S 2010, *Putting in place jobs that last: a guide to rebuilding quality employment at local level*, OECD Local Economic and Employment Development (LEED) Papers 2010/13, OECD.
- Ingold, J & Valizade, D 2017, 'Employers' recruitment of disadvantaged groups: exploring the effect of active labour market programme agencies as labour market intermediaries', *Human Resource Management Journal*, vol. 27, no. 4, pp. 530-47.
- ILO 2012, *The youth employment crisis: a call for action*, Resolution and conclusions of the 101st Session of the International Labour Conference, Geneva.
- ILO 2013, [Global employment trends for youth 2013: a generation at risk](#), International Labour Office, Geneva, viewed .
- Kraak, A 2015, [Conceptualising the role of intermediaries in the youth labour market: a survey of the global literature](#), The Research Project on Employment, Income Distribution and Inclusive Growth (REDI3x3), Cape Town, viewed 26 January 2022.
- Meadows, D 1999, *Leverage points: places to intervene in a system*, The Sustainability Institute, Hartland, Vermont, USA.
- Monson-Wilbraham, L, with James, S, Mallett, S, Cull, E & McLachlan, E 2020, [The National Youth Employment Body Practice Guide: a guide to strengthening youth employment pathways – local to national](#), 2nd edn, Brotherhood of St Laurence, Melbourne, viewed 25 January 2022.

References (cont.)



Brotherhood of St Laurence
Working for an Australia free of poverty

- Mupanemunda, M 2020, *The promise of social procurement: leveraging purchasing power to create inclusive employment opportunities*, Library Fellowship Paper, Parliamentary Library & Information Service, Parliament of Victoria, Melbourne.
- Myconos, G, Clarke, K & Ng, C 2022, *National Youth Employment Body: Entry to care roles skills trial: evaluation findings and implications for systemic change*, Brotherhood of St Laurence, Fitzroy, Vic.
- OECD 2019, *Engaging employers and developing skills at the local level in Australia*, OECD Reviews on Local Job Creation, OECD Publishing, Paris, <<https://doi.org/10.1787/9789264304888-en>>.
- Pellicciotta, C & Mallett, S 2022 (unpub.), *Employment interventions typology*, Brotherhood of St. Laurence, Fitzroy, Vic.
- Richards, S (ed.), *Regional policy and complexity: towards effective decentralization*, published as part of the IPPR focus on New Era Economics, Institute for Public Policy Research (IPPR), London, United Kingdom.
- Ruiz, C, Bartlett, D & Moir, E 2019, 'Welcome to your first job: expect to be underpaid, bullied, harassed or exploited in some way', *The Conversation*, 13 February.
- S4YE (Goldin, NH, M) with P Glick, M Lundberg, & S Puerto 2015, *Towards solutions for youth employment: a 2015 baseline report*, Solutions for Youth Employment, Washington D.C.
- SVA, AEN & PwC 2021, *What will it take? Creating better, more sustainable jobs for young people*, Social Ventures Australia, the Apprenticeship Employment Network & PricewaterhouseCoopers Consulting, a research paper by SVA and AEN with analysis by PwC, viewed 19 January 2022.
- Thies, A, Warr, D, Mallett, S & Brown, D 2021, *10 strategies for improving employment outcomes for people with disability*, Brotherhood of St. Laurence, Fitzroy, viewed 20 January 2022.
- Tremblay, P & Boyle, A 2018, *Literature review on public procurement: theories, evidence and implications for regional Australia*, Northern Institute, Darwin, Charles Darwin University.
- van der Aa, P & van Berkel, R 2014, 'Innovating job activation by involving employers', *International Social Security Review*, vol. 67, no. 2, pp. 11-27.
- United Nations Industrial Development Organization 2020, *What is CSR?*, UNIDO, Vienna, viewed 4 July 2023.
- World Bank 2012, *World development report 2013: jobs*, World Bank, Washington DC, viewed 4 July 2023.
- Young Workers Centre 2021, *A broken system: how insecure work hurts young workers*, Unions ACT, Canberra, viewed 4 July 2023.

About this report



Brotherhood of St Laurence
Working for an Australia free of poverty

Acknowledgements

Thank you to the employers who generously offered their time and reflections in interviews about how young people contribute to their workplace. Special thanks also to the Employer Liaisons at the TtW CoP services whose participation in focus groups provided valuable insight into the practice of employer engagement. Finally, thank you to Deborah Patterson for careful editing of this document.

Published by

Brotherhood of St. Laurence
67 Brunswick Street
Fitzroy, Victoria 3065
Australia

ABN 24 603 467 024
ARBN 100 042 822

Ph: (03) 9483 1183

www.bsl.org.au

© Brotherhood of St. Laurence 2023

Apart from fair dealing for the purpose of private study, research, criticism, or review, as permitted under the *Copyright Act 1968* and subsequent amendments, no part of this paper may be reproduced by any process without written permission. Enquiries should be addressed to the publisher.

The Brotherhood of St. Laurence respectfully acknowledges the Traditional Custodians of the land and waterways on which our organisation operates. We pay our respects to Aboriginal and Torres Strait Islander Elders past, present and emerging.