

DISADVANTAGED GROUPS IN WORK AND ENTREPRENEURSHIP

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1. Abstract

On 1 January 2005, Flanders introduced an entitlement to career counselling for employed people. To receive recognition by the government- and hence be entitled to receive funding - career counselling centres must make sure that disadvantaged groups constitute 50% of their total clientele. In this, the government distinguishes five "disadvantaged groups": (1) ethnic minorities; (2) people with disabilities; (3) older workers (50+); (4) low-skilled people; and (5) medium-skilled people. However, reaching these disadvantaged groups appears to be less than simple. Many centres do not manage to meet the 50% target, or only with extreme effort. To evaluate how problematic this is, it is important to first examine the way these disadvantaged groups have been selected and defined in the career counselling policy.

There is obviously no question that ethnic minorities, people with disabilities, older people, and the low- and medium-skilled are disadvantaged groups on the Flemish labour market. After all, it's on average harder for them to find work; in other words, they have a reduced *chances of work*. However, in the scope of career counselling, the choice for the criterion 'chances of work' to define which groups are disadvantaged is not an obvious one, as career counselling in Flanders targets people who have a job, not those looking for work. It would therefore make more sense to identify as "disadvantaged", the groups with fewer opportunities once they have a job, or with fewer *opportunities at work*.

To be able to evaluate whether the current disadvantaged groups are indeed "disadvantaged groups at work", and whether they are the only disadvantaged groups at work, this study explores the way the concept "opportunities at work" can be understood. On the basis of an extensive literature review, the study lists criteria that can be used to evaluate people's opportunities at work, both for employees and self-employed persons. For each these two groups, we identified objective criteria - criteria that can be easily observed by third parties, such as wages, promotion or career path - and subjective criteria - criteria that focus on the way an individual experiences his or her job or career, such as job satisfaction, pleasure in work or psychological fatigue.

In addition, the study tries to get a better understanding of the need for career support experienced by disadvantaged groups and the elements that could be included in career counselling in order to increase their opportunities at work.

To realise this, we developed a general model, based on a literature review, of the mechanisms that affect the opportunities at work of disadvantaged groups.

Based on the list of criteria and the general model, we studied the opportunities at work of the different disadvantaged groups and the mechanisms that affect those opportunities. The study shows a clearly below average rate of opportunities at work for ethnic minorities, people with disabilities and low-skilled people. Not only do these groups have a lower chances of work (i.e. a lower employment rate), they also score below average for most objective and subjective criteria for opportunities at work. Although the results are less unambiguous for the medium-skilled and people older than 50, there are still good reasons to also consider these groups as disadvantaged groups. Next, we studied various other possible disadvantaged groups, such as women, single parents and the working poor. These groups, too, seemed to enjoy fewer opportunities at work than others. Finally, the study looked into the opportunities in entrepreneurship for all the groups and found that this is also an area where disadvantaged groups often find themselves in a less favourable situation compared to non-disadvantaged groups.

The study finishes with a general conclusion about opportunities at work and needs for support among different groups, as well as with a few thoughts about the current policy and the ways to reach disadvantaged groups.

Key words:

Disadvantaged groups, careers, career counselling

2. Objectives

This study's main objective is to evaluate the current definition of disadvantaged groups in career counselling and to assess whether career counselling is currently focussing on the right groups. It also examines the career problems of disadvantaged groups and their needs for career support. To this end, the study answers the following questions:

1. "Which criteria can be used to determine a person's opportunities at work?"
2. "Do the current disadvantaged groups in career counselling experience 'fewer opportunities at work' alongside 'fewer chances of work?'"
3. "Are there any other groups in society that experience fewer opportunities at work and that can therefore be considered as disadvantaged groups at work?"
4. "Which mechanisms explain the reduced opportunities at work for disadvantaged groups?"
5. "What are the needs for career support of the disadvantaged groups at work?"

Clarification of key concepts

Independent career counselling refers to career counselling that is neither organised nor initiated by the participant's employer. In a career counselling trajectory, a professional career counsellor helps the participant to analyse his or her strengths, weaknesses, interests and career ambitions. Based on this analysis, the individual defines career objectives and develops a personal development plan which stipulates how these objectives can be realized. At the moment, the Flemish government subsidizes career counselling centres to offer independent career counselling to Flemish workers with at least one year of working experience. Thanks to these subsidies, Flemish workers can participate in career counselling at a low fee once every six years.

3. Methods and data

The following five methods were used to answer the research questions of this study:

1. a literature review about disadvantaged groups, opportunities at work and the mechanisms that affect them;
2. quantitative analyses performed on existing sets of data to acquire a better insight into the opportunities at work of disadvantaged groups;
3. qualitative analyses on existing interview data to acquire a better understanding of how disadvantaged groups experience their opportunities at work and of the mechanisms that affect those opportunities;
4. focus groups with career counsellors to acquire an insight into the opportunities at work of existing disadvantaged groups, the mechanisms that affect those opportunities, the counselling needs of people from disadvantaged groups, and also to identify additional disadvantaged groups;
5. focus groups with people from disadvantaged groups to get a better understanding of their own perception of their opportunities at work, the mechanisms on which their reduced likelihood for opportunities at work is based, and the needs for career support.

4. Findings

4.1 Criteria for opportunities at work

The extensive literature study served to create a list of criteria for opportunities at work. It started from a distinction between objective criteria that can easily be observed by third parties on the one hand, and subjective criteria that involve the experiences and perceptions of the individuals themselves, on the other. For employees, a distinction was made between criteria with respect to the current job and criteria regarding the career in general. This distinction is essential since rather than focusing on the current job situation, career counselling focuses on a person's entire career. For each of these categories of criteria, the study started by listing the main specific criteria from the literature. After that, and based on the same dual approach, it listed a number of criteria for opportunities in entrepreneurship. An overview of these criteria is included in Table 1.

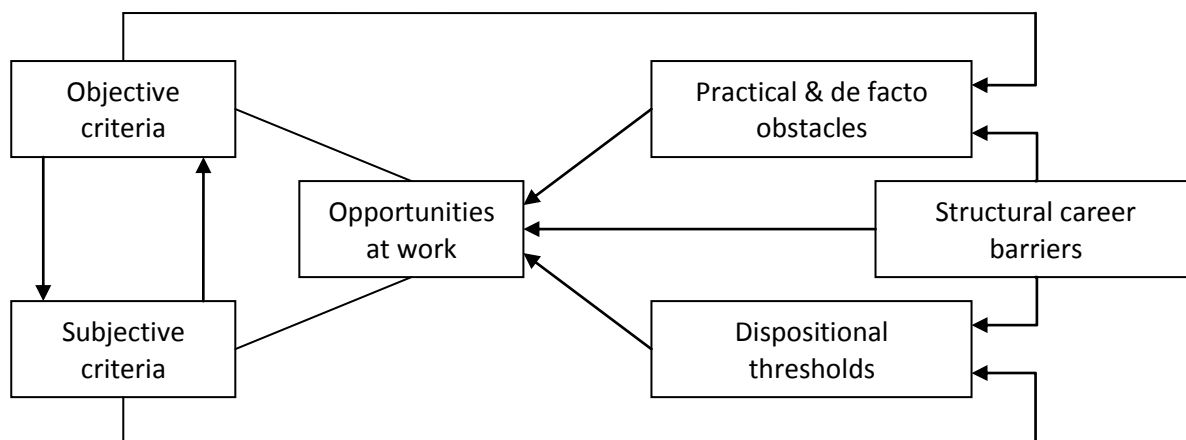
Table 1 Criteria for opportunities at work

		Objective criteria	Subjective criteria
Employees	Current job	<u>Employment conditions</u> <ul style="list-style-type: none"> ▪ Wage ▪ Duration of contract ▪ Blue-collar or white-collar job ▪ Working hours ▪ Part-time work ▪ Training opportunities 	<u>Perception of the current job</u> <ul style="list-style-type: none"> ▪ Job satisfaction ▪ Pleasure in work ▪ Psychological fatigue ▪ work-life balance ▪ Perceived training opportunities ▪ Satisfaction with job characteristics ▪ Person – job fit <u>Perception of the work relationships</u> <ul style="list-style-type: none"> ▪ Quality of the relationship with boss/colleagues ▪ Experienced discrimination or bullying
		<u>Job content</u> <ul style="list-style-type: none"> ▪ Profession or position ▪ Sector ▪ Hierarchic level ▪ Over-qualification ▪ Job characteristics (e.g. structure of the tasks) 	
Employees	Career	<u>Past</u> <ul style="list-style-type: none"> ▪ Wage growth ▪ Promotions ▪ Career instability 	<u>History</u> <ul style="list-style-type: none"> ▪ Satisfaction with past career (e.g. promotions) <u>Future</u> <ul style="list-style-type: none"> ▪ Satisfaction with career outlook ▪ Job certainty/uncertainty
		<u>Future</u> <ul style="list-style-type: none"> ▪ Chances of promotion ▪ Chances of work 	
Self-employed		<ul style="list-style-type: none"> ▪ Chances of survival ▪ Income/adequate income ▪ Sector ▪ Personnel 	<ul style="list-style-type: none"> ▪ Job satisfaction ▪ Quality of one’s job

4.2 Mechanisms that affect opportunities at work

The different explanatory mechanisms that emerged from the literature study were divided into three groups. First of all, people from a specific disadvantaged group may experience a number of practical and de facto obstacles that limit their opportunities at work. These limiting characteristics of the practical and de facto situation are, directly or indirectly related to being a member of a particular disadvantaged group (e.g. lacking certain language skills or having a visible impairment). Secondly, the study identifies several structural career barriers, i.e. both openly expressed forms of discrimination and more subtle processes that often take place unconsciously. A last mechanism involves dispositional thresholds, or self-limiting behaviour by which people from disadvantaged groups may themselves reduce their likelihood of opportunities at work. Figure 1 gives an image of the link between opportunities at work and these mechanisms.

Figure 1 General model for opportunities at work



4.3 Which groups are disadvantaged?

4.3.1 Are the current disadvantaged groups justifiably considered as disadvantaged groups at work?

As far as ethnic minorities, people with disabilities and low-skilled people are concerned, the answer to that question is clearly 'yes'. Not only do these groups have a lower employment rate, they also score below average for most objective and subjective criteria with respect to opportunities at work. The results are less unambiguous for individuals who are medium-skilled or older than 50. Medium-skilled people score below average for a number of - mostly objective - criteria with respect to opportunities at work, but they do show a relatively high employment rate: 71.4% against the Flemish average of 66.5%. By contrast, older individuals show a poor employment rate of only 49%, but score high to very high for the majority of the objective and subjective criteria for opportunities at work. Still, there are good reasons to continue to include these two groups in the list of disadvantaged groups. As far as medium-skilled people are concerned, the increasing level of education in society plays an important role. The higher the number of people that acquire a higher educational degree, the more not having one becomes a disadvantage. With respect to older workers, there is the concern for the ageing workforce. If career counselling wants to play a role in addressing this issue, it is essential that it is able to reach the group of older workers and motivate them to stay on the labour market. The question does arise, however, whether the age of 50 is not too high in this respect. This study showed that 50 is a turning point where many people in 'bad' jobs seem to quit, and people in 'better' jobs seem to stay active. This would support a higher focus on the period just before 50, to ensure preventive action instead of reactive action. The problem could then be dealt with before people effectively decide to retire. In other words, 45 or even 40 could prove to be a better cut-off age.

4.3.2 Other possible disadvantaged groups

The five current disadvantaged groups are not the only groups with fewer opportunities at work. This study shows that young people (i.e. the people who have just entered the labour market), women, single parents, the working poor, introvert and neurotic individuals, lesbian, gay and bisexual individuals, as well as unattractive people score below average for many criteria for opportunities at work. The amount of research material proved particularly extensive for women. Not only do women show a below average employment rate, they also score much worse for - mainly objective - criteria regarding opportunities at work.

4.3.3 Opportunities in entrepreneurship

As far as opportunities in entrepreneurship are concerned, lower scores are found for ethnic minorities, people with disabilities, low- and medium-skilled individuals, women, single parents and the working poor, especially for the objective criteria. The results were less conclusive for the subjective criteria. People from disadvantaged groups show a relatively good score in this respect.

4.4 Career counselling of disadvantaged groups

4.4.1 The need for support of the five current disadvantaged groups.

This study showed that the needs for career counselling vary considerably across the disadvantaged groups. The needs range from help with self-reflection and defining career objectives; assistance in exploring the labour market; help in dealing with bullying and discrimination issues; guidance towards another job; job application training and help with strategies to approach discrimination in recruitment, to a need for practical assistance, for example in administrative matters. The latter was particularly true for entrepreneurs, e.g. on the subject of taking out loans and of accounting. Furthermore, entrepreneurs may profit from support to find more efficient ways to manage their business.

4.4.2 Is career counselling an appropriate instrument for these groups?

A person's opportunities at work may be limited by a combination of practical and de facto limitations, structural obstacles and certain dispositional barriers. Self-analysis, the focus of career counselling, is an ideal instrument to tackle these dispositional obstacles. Systematic and guided self-reflection can help people to expose their internal barriers, question them and deal with them. However, self-analysis cannot simply take away external barriers and practical and de facto limitations - factors that often play an important role in the careers of disadvantaged groups. Obviously this does not mean that career counselling should simply ignore these obstacles. It can also work on these barriers, for instance by exploring ways to deal with them. Although this form of assistance can be said to be part of the tasks and possibilities of career counselling, it does require different expertise and deviates from the core competence which constitutes career counselling as a service provision.

5.1 Is it necessary to continue working with disadvantaged groups?

The fact that a large number of groups can be considered as disadvantaged at work, raises the question whether it is useful to continue working with the idea of disadvantaged groups. The question is even more relevant since earlier research (Verbruggen & Sels, 2009) has shown that people who seek career counselling, mainly do so to solve a problematic situation, and as such might perhaps all be considered as a disadvantaged group. In addition, the pressure to reach a certain percentage of disadvantaged groups implies that non-disadvantaged groups often end up on a waiting list and fail to receive help when they need it the most. Their 'right to career counselling' is thus at risk of being compromised.

At the same time, there are important reasons to continue working with disadvantaged groups, the main one being the risk of a strong 'Matthew effect'. Failure to make an extra effort to reach disadvantaged groups could result in their total exclusion from the system of career counselling, as is indicated by the fact that these groups are hard to reach as it is - even with additional efforts. As a result, their 'below average opportunities at work' might drop even further. Furthermore, non-disadvantaged groups have more alternatives for career assistance. They usually have a broader social network and their higher average wages give them more financial freedom to turn to private centres for career assistance. For these reasons, continued extra efforts targeted at disadvantaged groups seem important. It's either that or risking that career counselling becomes an inequality enhancer instead of an instrument to create more equality on the labour market.

5.2 Selection of disadvantaged groups

If one decides to continue working with disadvantaged groups, it is essential to make a solid, substantiated choice of the groups that will be the focus of the relevant policy. The selection could include factors such as the severity of the problems of the group, current reach in career counselling and key policy themes, e.g. quality of jobs or the ageing workforce.

5.3 Towards a general right of career counselling

Career counselling in its present form seems to be a suitable instrument to respond to some needs, but it does not cover all of them. At the same time, there are a few other service providers who offer forms of support that might suit some of those 'other' needs that are not fully covered by career counselling. One could think of employment counselling, outplacement and specialised counselling for people with disabilities. Unfortunately, these services are often not accessible for people with a job (including people from disadvantaged groups). There are several possible approaches if one aims at creating a career counselling policy that responds to the needs of working people from disadvantaged groups. One could think of expanding the offer of the career counselling services to better suit the diverse needs of disadvantaged groups; new services could be established for working people; and services that currently are only available for the unemployed, could be made accessible for employed people as well. The last option might be the most rational solution: it allows for economies of scale and enables all service providers to continue to build on their own expertise. In addition to the existing options, it might be necessary to develop other services for certain career questions, possibly provided by existing agencies. A suggestion in this context could be for employers' organizations (such as Unizo) to arrange pro bono accounting services for starting entrepreneurs.

5.4 How to stimulate the participation of disadvantaged groups?

At present, career counselling centres receive a grant if at least 50% of the people in their programme belong to a disadvantaged group. Failure to reach the 50% level results in reduction of their funding. This method gives rise to various concerns. First of all, the 50% level seems to be an arbitrary choice. In any case it does not reflect the number of working people belonging to disadvantaged groups, which is much higher than 50%. Second, the 50% requirement applies regardless of the characteristics of any given centre and thus ignores the fact that for some centres, it will be easier to reach certain disadvantaged groups, for instance because of their specialisation or location.

What are the alternatives to stimulate the participation of disadvantaged groups in career counselling? One is to impose a minimum effort requirement rather than a result requirement and to link the funding of career counselling centres to their efforts to reach disadvantaged groups. This has its disadvantages too, however: efforts cannot easily be assessed objectively, and efforts do not necessarily lead to the desired results. If one decides to continue to work with result requirements, an option could be to work with rewards rather than punishments. In this way, reaching disadvantaged groups could be rewarded via additional funding, potentially in addition to the normal subsidies.

5.5 Diversification of the counselling format

Finally, it may be necessary to diversify the form of service provision. Guidance by telephone, email or webcam, or offering self-help tools via the internet, optionally linked to a hotline for questions or queries, and counselling at home are a few examples of how this could be realised. Additional funding for counselling certain disadvantaged groups might open up possibilities to look for the best adapted form of counselling. For some disadvantaged groups these types of alternative forms of counselling could take away certain participation barriers, both of a practical and de facto, and of a dispositional nature.

Full reference of study report(s) and or paper(s) and other key publications of the study summarised here

Van Laer, K., Verbruggen, M., & Janssens, M. (2011) *Kansengroepen in werk en ondernemerschap*. Viona Report.

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