

LLAKES Newsletter

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Editorial

Press coverage of the recent OECD report on the 2009 PISA survey focussed, as usual, on the league table of national mean scores and on the UK's apparent slide in the rankings. Sadly there has been little improvement in the average literacy score for the UK samples between 2000 and 2009. Less widely reported, but just as disappointing, is that educational inequality has barely reduced during the nine years since the first PISA survey. The UK remains one of the most unequal of the developed countries included in this triennial survey by the Organisation for Economic Co-operation and Development (OECD), both in terms of the spread of student achievement and the impact of social background on 15-year-olds' performance.

The total variation in UK student performance barely declined between the 2000 and 2009 surveys, with similar proportions, now as then, attributable to differences between, and within, schools. In many countries - including Belgium, Canada, Denmark, Germany, New Zealand, Norway, Portugal and

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Switzerland – the gaps narrowed substantially due to improvements amongst lower achievers. This has not occurred to the same degree in the UK. Scotland and Wales have only marginally lower variation in scores than England and Northern Ireland.

Ten years ago, 260 points separated the mean score of the 10th percentile (of lowest scoring) UK students from that of the 90th percentile (of top scoring) students. By 2009, the gap had only narrowed to 246 points, which still represents over three proficiency levels on the seven-level PISA scale – or over six years of schooling on the OECD average. Compared with other OECD countries the UK still has an above-average spread of achievement. In 2000 it was 8th highest out of 27 OECD countries on this measure. In 2009 it ranked 11th of 34 countries.

More damning still are the figures on the impact of social background on student performance.

The OECD has a composite measure (ESCS) for student background characteristics which includes the occupation and education level of parents, and cultural ‘goods’ in the home. The proportion of variance explained by this measure is almost identical in the 2009 tests of reading literacy (13.7%) as in the 2006 tests of mathematical literacy (13.9%). The so-called ‘social gradient’ predicts the increase in students’ scores associated with a one unit increase in ESCS. The figure for the UK in 2009 was 44. Only 7 countries amongst the 34 OECD countries measured higher on this measure (amongst the richer countries: Australia, Austria, Belgium, France and New Zealand).

One of the factors that distinguishes the more egalitarian school systems, like those in the Nordic countries, is that their schools are relatively similar. The social mix of their students does not vary significantly; nor does their average performance. These factors are closely related since, in many countries, including the UK, who you learn with (the ‘peer effect’) has more influence on how well you achieve than anything else, including often your own social background.

Generally, school systems with non-selective secondary schools will have smaller differences between schools but larger differences within schools. For selective systems it is the other way round. The UK has slightly below-average variation between schools relative to the OECD average, as you would hope given that school admissions are meant to be largely non-selective by ability. However, amongst the richer OECD countries with largely non-selective secondary schools, only Japan, Italy and Greece have larger performance differences between schools.

What is more, in the UK it is mostly the differences in schools’ social intake which accounts for how well they do. Across OECD countries 57 per cent of the performance difference between schools can be accounted for by social-intake differences. In Finland, Iceland and Norway the figure is less the 30 per cent. In the UK, the USA and New Zealand, however, it is over 70 per cent. Only in Luxembourg does school performance depend more on the social class profile of the school intake.

As the PISA data show, schooling in the UK, and particularly in England and Northern Ireland, is as class-bound as ever.

In this Newsletter we report on a number of LLAKES events and research projects broadly concerned with the theme of educational and social equality. The major events included an International Conference on ‘Exploring Inequality and its Consequences: Education, Labour Markets, and Communities,’ hosted by LLAKES in July and a ‘Question-Time’ style debate entitled Who is being hardest hit in the recession, and how can social policy help? which took place at the National Institute of Social and Economic Research as part of the ESRC Festival of Social Science. Both were judged highly successful events. A further debate will be held in Scotland this year and we are publishing papers from the conference in a special edition of the National Institute Economic Review. LLAKES researchers also report here on recent research findings related to this theme.

LLAKES RESEARCH

HIGHLIGHTS FROM STRAND 1

In this strand, we are using mixed-method comparative analysis to investigate the effects of different models of lifelong learning on economic competitiveness and social cohesion across OECD countries.

Lifelong learning systems, social cohesion and competitiveness.

Our research has identified a number of regimes of competitiveness and social cohesion. In the English-speaking countries we have identified a liberal regime of social cohesion and competitiveness, in the Nordic countries a social-democratic regime, and in mainland North West Europe a social market regime. The economic crisis poses different challenges for the each of the regimes. Countries with a liberal regime need to address inequality and social mobility; countries with a social democratic regime have problems combining diversity with solidarity; countries

in the social market group have to attend to youth unemployment and intolerance towards immigrants and Muslims. All these regimes also face the challenges of globalization. The greatest declines in social and political trust can be found within liberal regimes, and particularly in the UK. This work has been published in the LLAKES research paper *Regimes of Social Cohesion* by Andy Green, Germ Janmaat and Christine Han.

We have also researched inequalities in different education systems, with a focus on performance scores. Using data from PISA 2003 for Germany, the UK, Italy, Japan, and Finland we have found that Comprehensive education systems lead to more equal outcomes in terms of performance and reduce between-school differences. In many countries it is peer effects (who you go to school with) that contribute most to differences in performance scores between students. However, we have also found that there need not be a trade-off between equality and efficiency (high average achievements), as Finland combines a high level of achievements with a high degree of skills equality. This work has been published in the LLAKES research paper *The Anatomy of Inequalities in Educational Achievements: An International Investigation of the Effects of Stratification* by Tarek Mostafa.

Experiencing inequality

This year, extensive field work has been undertaken as part of our project which looks at how young people experience inequality. Qualitative data has been collected from different types of schools, colleges, and universities in England, Denmark, Germany, France and Singapore.

We have found that young people generally endorse the principle of gender equality. They also generally perceive that gender equality exists in their societies. Paradoxically, in countries where there is a higher level of gender equality, young people are more likely to perceive gender inequalities. In other words perceptions and objective inequalities do not match. Finally, young people are more likely to participate in civil society when they both believe in gender equality and perceive that inequalities exist.

School ethnic mix and social attitudes

A third project is using data from the 1999 IEA Civic Education Study, which collected data on 14 year olds from 28 countries, to examine the effects of school social and ethnic composition on civic attitudes. So far the project has generated the

following key findings: more ethnically diverse classrooms contribute to the ethnic tolerance levels of native German and native Swedish pupils in Germany and Sweden; but in England there is no effect of classroom diversity on the ethnic tolerance levels of white British youth. Further, grouping by ability is associated with more social segregation across classrooms but not with more ethnic segregation. Grouping by ability also leads to greater disparities of civic knowledge and skills, even though it is not associated with disparities of civic attitudes and participation. In countries practicing ability grouping the peer effect is much larger than in countries with comprehensive systems (i.e. the effect of classroom social composition on civic knowledge and skills).

HIGHLIGHTS FROM STRAND 2

Research in Strand 2 focuses on the ways in which people in city regions gain access to learning opportunities as part of work and their lives in general. More specifically, it examines the role of lifelong learning in the shift towards the 'knowledge-based economy' in city-regions in the UK, and the consequent implications for communities, employers, and education and training providers.

Local Authority Planning powers as lever to expand education and training

Researchers in Strand 2 are investigating ways that local authorities in Southampton and Manchester are using planning powers to expand training opportunities for disadvantaged groups. This work is providing fresh insights into how local authorities can make innovative use of Section 106 of the Town and Country Planning Act and other planning powers to develop training initiatives that achieve both economic goals and social cohesion. In Greater Manchester, we are evaluating a new initiative led by Manchester City Council's North Manchester Regeneration Team to secure a much better long-term future for an area that has suffered from a combination of problems in recent years. A research report on the research in Southampton, *Economic Regeneration, Social Cohesion and the Welfare-to-Work Industry: Innovation, Opportunity and Compliance in the City Region* by Alison Fuller, Lorna Unwin, David Guile and Sadaf Rizvi, is available in the LLAKES research paper series. There is growing interest by Local Authorities in Strand 2's investigations into how education and training initiatives can improve life chances at the city region level and we have recently been invited to disseminate our research in the Winter 2010 newsletter published by the Local Authorities

Research Council partnership (see the LARCI website for more details, www.larci.org.uk).

New Initiatives to Tackle Youth Unemployment in Southampton

High levels of youth unemployment continue to be a major concern across the UK. Building on Strand 2's previous research with Southampton City Council, LLAKES researchers have been invited to provide a formative evaluation of a new apprenticeship initiative led by the Skills Development Zone (SSDZ). This brings together key local partners including the City Council, Southampton University Hospitals Trust (SUHT), the Primary Care Trust (PCT) and Southampton Solent University (SSU), local government agencies, and training providers to address local skills and employment needs.

Cultural Quarters: Small Businesses, Self-Employment, and Innovation

Two projects which focus on the creative and cultural sector are now underway. The first is looking at the new modes of apprenticeship that are emerging in response to the use of the principle of 'projectification' (Midler, 1996) as the basis of the organisation of work in the Creative and Cultural sector. The application of this principle is undermining 'firm-specific' labour markets in this sector, with the result that more and more employees are working on short-term and/or freelance contracts. We are investigating an apprenticeship programme in Manchester designed by Vision+Media for the BBC.

The second project investigates SMEs' competitive strategies in the creative and cultural sector in Birmingham. The contribution that firms make to city-region regeneration has been widely acknowledged by researchers and policymakers for well over ten years. In the post-recessionary climate, this contribution is even more critical.

Adult learning in decline?

Research by Geoff Mason and Kate Bishop, using Labour Force Survey data, has shown that recent UK government policy aimed at promoting lifelong learning has been set back by falling participation in several different forms of adult learning. In 2002, some 33% of all people aged 25-59 participated in formal education,

job-related training or leisure education, or some combination of these activities. This represented an increase from 29% in 1999. However, by 2009 this proportion had declined to 31%. The decline has primarily involved people aged between 30 and 49 and those classified as unemployed or economically inactive. Although better-qualified people are still more likely than less-qualified people to engage in adult learning, the probability of engaging in such learning has also declined for all qualification groups at NVQ2 and above in recent years.

These developments have negative implications for economic competitiveness because employer surveys carried out by LLAKES show that adult skill improvement and updating needs are widespread across the UK economy and apply to employees at all levels of qualification, not just workers with relatively low qualifications.

The results are available in two LLAKES research papers: *Adult Training, Skills Updating and Recession* by Geoff Mason and Kate Bishop; and *Adult Learning in Decline? Recent Evidence at UK National and City-Region Level* by Geoff Mason.

Innovation, knowledge transfer, and the role of higher education

In a further project led by Geoff Mason, LLAKES is investigating the difficulties which universities are facing in contributing to innovation, knowledge transfer and economic growth in their region.

The research involves intensive analysis of data from the Higher Education – Business and Community Interaction Survey (HEBCIS), and interviews with university departments and businesses engaged in innovation in a field of particular economic and social interest, namely, renewable energy technologies.

Preliminary findings confirm that university-business interactions on basic and strategic research in this area of technology are highly concentrated in a few regions of the country which tend to be above-average in terms of growth and productivity. However, the project is investigating the scope for universities in slower-growing regions to contribute to technical problem-solving and skills development for renewable energy employers.

HIGHLIGHTS FROM STRAND 3

Strand 3 work continues to focus on the processes and consequences of participation in different forms of learning and experience beyond school and through adult life. Particular attention is given to the interplay between institutional and labour market factors and learning trajectories, throughout the life course. Integrative research papers between projects/disciplines and levels of analysis include *Life Chances, Learning and the Dynamics of Risk throughout the Life Course* by Karen Evans, Ingrid Schoon and Martin Weale and *Mapping Demands of Social Change* by Rainer Silbereisen and Martin Tomasik.

Education-Employment Transitions

We have completed analyses using existing longitudinal data sets and are focusing on:

1. Changing education expectations in three British age cohorts
2. Life course learning model of political trust
3. Measurement of social attitudes
4. Gender differences in aspirations and attainment
5. Young people leaving school early
6. Pathways linking early self-esteem and adult attainment.

The project team has been active in advising policy makers at the Cabinet Office and the Department for Education. Our findings have attracted media attention, and an interview was broadcast on BBC4. Findings were quoted in the latest 2010 OECD publication on the social outcomes of learning, Education, Health and Social Cohesion. A testimonial, referring to the book publication, *Transitions from School to Work* (Schoon and Silbereisen, 2010), states that:

“The project has contributed to a better understanding of youth transitions in a changing socio-historical context, and has been instrumental in rethinking current policy conceptions about the transition to adulthood.”
Prime Minister’s Strategy Unit, Cabinet Office.

Adult Basic Skills, Workplace Learning and Life Course Transitions

This project is looking at key factors that facilitate and inhibit sustainable workplace provision for employees with low levels of initial qualification, as well as undertaking theoretical work on the spatial dimensions of workplace learning. The project team has focused recent fieldwork on company sites and providers that have sought to develop more innovative and flexible forms of delivery in response to the challenges of the workplace. This has included researching sites that have utilised individualised tuition in a variety of workplace settings (including in close proximity to factory production lines), as well as new technological devices, in order to establish modes of delivery that are more responsive to the pressures of the workplace environment. The forthcoming LLAKES research paper, *Is Work-Based ‘Skills for Life’ Provision Sustainable in the UK?*, examines the impact of funding arrangements in militating against longer-term provision whilst also highlighting those organizations that have managed to sustain provision through successfully integrating work-based courses within a broader ‘ecology of learning’ in the organization as a whole. A second LLAKES research paper, *The Spatial Dimensions of Skills for Life Workplace Provision*, explores the semiotic significance of ‘Skills for Life’ workplace learning in engaging learners, and reveals associations that are attached to different learning environments by those who have missed out on previous educational opportunities.

Economic Experience in Working Life

We are in the process of revising initial studies of the returns from life-long learning, looking at the effects of life-long learning in a system where people’s wages are either closely related to their previous wage or are taken from a stationary distribution. The research shows that much of the benefit of life-long learning comes from increased employment prospects, and that these are particularly important for people with low initial qualification levels, as reported in the LLAKES research paper, *Economic Benefits of Lifelong Learning* by Richard Dorsett, Silvia Lui and Martin Weale.

We are seeking explanations for the rather low take-up of lifelong learning opportunities, given the returns identified by the research. An analysis of the uncertainty of earnings that people face before and after life-long learning is now being integrated into a model of decision-making. In another part of this project, the team has looked

at whether individuals' pay is affected not only by the experience they acquire during their own working lives, but also by the general experience acquired by their colleagues working in the same firm or industry. Analysis indicates the presence of substantial knowledge spillovers from work experience. The research is now working towards a better understanding of gender differences in the magnitude of these spillovers and the possibility of extending the analysis of human capital spillovers to other European countries using the European Community Household Panel.

NEWS AND EVENTS

The first LLAKES International Conference:

Exploring Inequality and its Consequences: Education, Labour Markets, and Communities



LLAKES held its first International Conference in July 2010. The two-day conference explored international trends in inequalities and what we know about their social and economic impacts on communities and society as a whole.

One focus of the conference was the growth of inequalities of income and wealth in many countries during the last two decades. In the UK, household incomes are more unequal now than at any time since 1961, and social mobility, on some measures, appears to have declined. The economic recession may have exacerbated these trends, as job loss and wage cuts affect some groups – and some regions – more than others. Unemployment, for instance, has risen fastest amongst young people, the least qualified, and those in low wage occupations. These trends

may have detrimental consequences both for the economy and for social cohesion. As much of the research presented at the conference shows, highly unequal societies tend to have higher rates of crime, poorer public health, and lower levels of social cohesion.

The conference brought together leading researchers in the field to share their latest research findings with policy-makers. It was attended by more than 70 delegates from the UK and other countries. Presentations included the latest findings from LLAKES research projects as well as keynote addresses from external speakers including:

- Professor Martin Carnoy, Vida Jacks Professor of Education, Stanford University
- Professor Danny Dorling, Professor of Human Geography, University of Sheffield
- Professor John Hills, Professor of Social Policy, Director of the Centre for Analysis of Social Exclusion (CASE), London School of Economics and Political Science
- Professor Roger Jowell, Researcher Professor, City University
- Professor Sylvia Walby OBE, UNESCO Chair in Gender Research and Professor of Sociology, University of Lancaster

Papers from the conference to be published.

National Institute Economic Review – Special Edition edited by Geoff Mason, Andy Green and Lorna Unwin (Due February 2011) .

Cuts in public spending on education are likely to increase economic and social inequality in the UK, according to new research published today in the National Institute Economic Review. The authors suggest that this could reduce the willingness of disadvantaged groups to believe that UK society offers opportunities and security for all its citizens. Young people are particularly vulnerable to unemployment and underemployment, and this is likely to add to social unrest at a time of austerity in public finances. Even many young university graduates face uncertain prospects in the labour market and this can only add to students' unwillingness to pay much more for higher education than was expected of previous generations.

Andy Green, Germ Janmaat and Helen Cheng present evidence that liberal market economies



such as the UK and US – with relatively high levels of income inequality - have experienced sharp declines in social and political trust in the last 50 years while trust has increased in the more egalitarian Nordic countries. The proportion of people in the UK saying that they generally trust others is less than half of what it was when it was first measured in 1959 and has declined sharply since 2008. Social cohesion in liberal societies like the UK, they argue, depends heavily on widespread beliefs in individual opportunity and rewards based on merit. If unemployment and cuts in public spending fall unequally on different groups and increase inequalities further, this could exacerbate the decline in trust and jeopardise social cohesion.

Martin Carnoy, Professor Education at Stanford University, reports that, contrary to widespread beliefs, the mass expansion of higher education may in some circumstances contribute to greater income inequality. One reason for this is that rising salary returns to university education compared to other levels of education tend to disadvantage workers with lower qualifications. Another reason is that much growth in higher education growth has been confined to low-cost institutions which do not provide the same opportunities for later career development and salary growth for graduates as do elite universities.

ESRC Festival of Science: ‘Question Time’ debate

In March, LLAKES staged a second ‘Question Time’ style debate at NIESR as part of the ESRC’s Festival of Social Science. The debate titled, ‘Who is being hardest hit in the recession, and how can social policy help?’, was chaired by Claire Fox (Institute of Ideas and Radio 4’s The Moral Maze). The panel included David Willetts MP, then Shadow Secretary of State for Innovation, Universities and Skills, Danny Dorling, Professor of Human Geography at the University of Sheffield, Adam Lent, Head of the Economic and Social Affairs Department at the TUC, and Geoff Mason, Senior Research Fellow at NIESR joined the panel.

Gender Differences in Aspirations and Attainment Conference

This conference was co-sponsored by LLAKES, the Pathways to Adulthood Programme and the Jacobs Foundation. It brought together experts from different disciplines and from different countries, drawing on evidence from longitudinal studies and large scale surveys to examine the



ESRC Festival: Claire Fox and Professor Danny Dorling

multiple influences on gendered career choices and development in a changing social context. It examined antecedents, correlates, and outcomes associated with career development in a global context. The conference took a longitudinal perspective, addressing issues related to social inequalities in motivation and attainment during the school years and in the transition to adult roles.

Key topic areas which were addressed in the presentations were:

- Early influences (childhood and adolescence).
- Life planning: how do young people see themselves and their futures?
 - Adulthood: gender differences in career pathways and attainment across domains (work, income, family, health and well-being) and their link to earlier influences.
- Social, economic, institutional, and cultural constraints and opportunities: how is career planning and attainment shaped by structural forces such as social background, policy agenda, labour market opportunities, and economic cycles?
- Methodological considerations.

Professor Lorna Unwin presents in Australia

The Australian Education Union and Australian College of Educators invited Professor Lorna Unwin, Deputy Director of LLAKES, to give the keynote

address at two events in October organised to debate the future of initial teacher training and professional development of vocational and TAFE (technical and further education) teachers in Australia. The first event, held in Melbourne, was a conference entitled, What's happened to TAFE and VET teachers? Putting Vocational Teaching back on the agenda in the emerging tertiary education environment. This was attended by 140 delegates from TAFE institutions, universities, private sector training organisations, government departments, employer organisations, and trade unions.

The second event was a Policy Forum held in Canberra and attended by 60 representatives from a range of federal and state organisations, including the Australian Government Department of Education, Employment and Workplace Relations, the Australian Chamber of Commerce and Industry, the Australian Qualifications Framework Council, Service Skills Australia, Innovation and Business Skills Australia, Manufacturing Skills Australia, the Construction & Property Services Industry Skills Council, the Australian Federal Police College, the Office of the Training and Skills Commission. Other delegates were from TAFE institutions, trade unions and universities.

Professor Unwin was also invited to give a presentation on developments in apprenticeship policy in the UK and Europe to a meeting of the Apprenticeships for the 21st Century Task Force in Melbourne. The Task Force was established by the Council of Australian Governments (COAG) in April 2009 to “undertake an immediate review to re-prioritise apprenticeship and traineeship incentives to better target quality outcomes and commencement and retention of trade apprentices, including consideration of strengthened financial support for trade apprentices in all area of skill shortage”. It is chaired by Jim McDowell, Chief Executive, BAE Systems Australia.

LLAKES Plays Key Role in the OECD's Plans for a Skills Strategy

A successful system for skills development and utilisation is a fundamental ingredient for economies and nations to grow and maintain the competitiveness of their workplaces. It is also crucial for the cohesion of societies, including the limitation of income inequalities and social exclusion. So, many countries have been developing strategies to improve their skills systems. The need for skills strategies arises

because the skill needs of modern societies are changing and education systems are expanding. The pace of these changes implies that piecemeal, ad hoc, adjustments to vocational education and training systems, and normal business evolutions, risk the creation of skills mismatches and inefficiencies in the system that can be greatly detrimental to economic and social well-being. Failure to be strategic about skills has contributed to the many inequalities and inefficiencies that are found in skill systems around the world.

It is the intention of the Organisation for Economic Cooperation and Development (OECD) to produce over the next few years a skills strategy framework that can be used to help countries formulate their own strategies. Professor Francis Green and Professor Andy Green of LLAKES have been contracted to produce an initial draft conceptual framework for this purpose. Their draft framework delineates the conceptual underpinning and the main components of the advice surrounding skills issues that an OECD strategy could be providing to its members.

After setting out key concepts on skills, the framework covers evidence and issues on the demand side, including a review of arguments about why the demand for skill is increasing and an overview of methods for anticipating changes in skill needs. It then goes on to consider a range of supply-side issues and institutions, including a subsection on how skills supply is affected by migration. The framework then looks at varieties of skills systems, whereby demand and supply are coordinated. Ideal features of such a system are considered. Different models of existing skills system are described, and their outcomes noted; these include market-oriented systems, social-partner coordinated systems, state-led social partnership systems, and developmental systems. The framework will also make room for a focus on skills for particular groups delineated through their circumstances (e.g. the unemployed) or through their position in the life course. Throughout there will be an emphasis on policy, and the conclusion advocates the need to evaluate policies in each country.

The framework is in an early stage of development. It is intended to form a focus and an outlet for OECD cross-department work on skills in the coming years, after discussion and development across a range of OECD committees. The core of this work will involve findings from its new flagship survey, which is due to enter the field in 2011: the Programme for International Assessment of Adult Competences (PIAAC). Professor Francis Green is part of a large team of international

experts that has been advising on the design and implementation of this project.

Further LLAKES collaboration with the OECD is being led by Lorna Unwin who has been appointed as the country expert for the UK for a project on 'Skills for Competitiveness'.

This is a pilot project involving the UK, Italy and Canada and aims to identify active approaches to improving the balance between skills supply and demand at the sub-regional level. The UK Commission on Employment and Skills (UKCES) is a partner in the project and is working with the OECD to produce a statistical picture of performance in relation to skills between 2001 and 2008. The project will develop case studies in three sectors and will focus on a minimum of two regions. A study tour of the selected regions will take place in the Spring of 2011 and a final report produced in June.

Trade Unions and Skills Utilisation

Professor Francis Green has undertaken an investigation, on behalf of the TUC, of the role of trade unions in Britain in promoting skills utilisation in workplaces. The following is a summary of the key points of his findings, which were presented at a meeting of invited experts at the TUC on November 8th 2010.

1. There is now increasing recognition that raising productivity, competitiveness and living standards requires a greater focus not just on raising the supply of skills but also on improving their use at the workplace. Skills utilisation entails the use of High Involvement Work Practices (HIWPs) – a set of human resource practices whose aim is ultimately to enable organisations to make the best use of the creative and productive powers of employees to improve efficiency, devise new products or raise the quality of services provided. Their outcome is one where not only is learning enhancement built in as a necessary support, but also the skills are well matched to the needs of the job that is, high utilisation of skills.

2. The view that HIWPs are good for employees is however a conditional one: the potential benefits for job quality are indeed substantial, but they could be lessened or even cancelled out if the practices are allowed to intensify work effort and do not compensate with sufficiently greater autonomy. Well-organised unions can, however, act to make sure that potential gains are realised.

3. HIWPs have tended to be developed as innovative approaches in their own right,

sometimes where unions were present and sometimes not. If those HIWPs which have the potential to introduce organisational improvements that raise productivity are inhibited by lack of capacity or the high cost of change, the collective voice of workers through their unions might help to realise those gains by persuading or assisting management to adopt efficiency-enhancing changes to their HR practices. Unions might then win a share of those gains to benefit their members as well as the company's bottom line.

4. UK employers have been slow in adapting HIWPs despite the presumed advantages. On average, only two out of four high-involvement work organisation practices (teamworking, functional flexibility, quality circles and suggestion schemes) are found in workplaces of at least 25 employees (as found in surveys undertaken in 1998 and 2004). The extent to which employers grant employees discretion over their own jobs and autonomous team working has declined throughout the 1990s and shows no sign of improving.

5. The view of the UK Commission for Employment and Skills (UKCES) is that government has a legitimate role to wider promote HIWP use and, as result, established the Skills Utilisation Project. The UKCES has recommended the establishment of a system-wide commitment to skills utilisation. The Scottish Executive has been at the forefront of implementing a skills utilisation orientation and set up a Skills Utilisation Action Group, with membership from several stakeholders including the Scottish TUC. A threefold plan was developed including "brokering new relationships" through the Scottish Union Learning Fund.

6. Unions are seen as being within the domain of potential action areas for HIWPs and should be included within the Skills Utilisation Strategy. Unions need to consider how they can play a significant role within such a strategy by negotiating with co-operative employers on both the new organisational practices and fair shares of the productive gains. The UKCES could usefully delineate more explicitly the role that unions could usefully play. More prominence could also be given to the role that unions play on Sector Skills Councils, and to developing networks with them around the functions of ULRs.

7. The objectives of HIWPs should be taken on board by negotiators. It is likely that officials and shop stewards would gain benefit if skills utilisation issues were included in their training. Unions, like other agencies, also have a lot to learn about the broader issues of job design and can usefully invest in more union-oriented research to improve

understanding of these issues.

The full report is available as a Research Paper:

Green, F. (2010) Unions and Skills Utilisation. Unionlearn, Research Paper 11, November 2010, London: TUC. Available from the Unionlearn publications page: <http://www.unionlearn.org.uk/publications/index.cfm>.

New Report on Employability from the Work Foundation

Dr David Guile, project leader in LLAKES Strand 2, was invited to discuss a new report on employability by The Work Foundation at its launch in October. The report – *Employability and Skills in the UK: Redefining the debate* – which was commissioned by the London Chamber of Commerce and Industry's Commercial Education Trust, was launched at the Chamber on 27th October, 2010. Ian Brinkley, the main author, introduced it to an audience that consisted predominantly of representatives from industry, with some representation from educational institutions. His main messages were that:

1. 'Hard' (qualifications) and 'soft' (generic) skills were essential to the UK's future prosperity.
2. The UK's Education and Training (E&T) is falling short and not delivering the required mix of these skills.
3. Skill under-utilisation is a more pressing problem than skill gaps or skill shortages in hampering economic growth.

In response, David Guile, who had been invited by Will Hutton, Chair, Work Foundation, to discuss the educational implications of the report, made the following points. Firstly, the type of generic skills employers are looking for are context-dependent. This will mean education and employers working together to develop generic skills through work experience and internship. Secondly, workers made redundant by the 'cutbacks' will have a good mix of qualifications and experience. This will present the E&T system with a new challenge: to develop bespoke training (part not full qualifications) to help workers to enhance their existing skills. Thirdly, innovation and skill utilization go hand-in-hand in companies. This means all companies, not just STEM-based ones, will need support from Government agencies to help them to transform their product and service strategies.

RESEARCH COMMENTARIES

Learning for the knowledge economy: insights from territorial innovation models

Laura James, LLAKES

The work being undertaken in Strand 2 of the LLAKES research programme focuses on the links between learning, economic competitiveness and social cohesion in city-regions in the UK. This short piece introduces some important ideas from economic geography and regional studies which are being incorporated into our work, in the context of debates about what kind of learning supports competitiveness in a knowledge-based economy (KBE).

The belief that the UK should develop a KBE in response to on-going economic globalisation and the transfer of manufacturing jobs to lower cost countries has formed the backdrop to national Vocational Education and Training (VET) and skills policy since the mid-1990s. According to proponents of this view, developed countries can only remain economically competitive and prosperous by specialising in innovative, high value-added goods and services, produced by highly skilled 'knowledge workers'. The public policy response supported by this line of argument is to encourage innovation and entrepreneurship by producing more highly skilled workers through education and training. In the UK, the policy landscape has been defined by targets to increase the number of students entering higher education (initially with little prioritisation of subject), and following the Leitch Review of Skills (Leitch 2006), greater efforts to increase the number of people with intermediate level qualifications; for example, through the Train to Gain programme and apprenticeships. Such policies, it was argued, would lead not only to economic growth, but also promote social cohesion and a reduction in income inequalities.

But can learning for the KBE be reduced to individuals acquiring qualifications through formal education and training?

A different perspective is offered by researchers in economic geography and regional studies who have explored the rise of the KBE through the lens of regional economic development. An extensive literature has developed around the concept of the 'territorial innovation models' (TIMs), which try to capture the dynamics of regional 'clusters' of economic activity. These authors argue that to understand economic competitiveness in the KBE,

we need to look at the ways in which learning by individuals, firms and institutions is linked together and supported in regional economic systems. A variety of TIMs have been developed, including 'clusters', 'industrial districts' and 'regional innovation systems'. Thus learning is a central concept in the TIM literature, although there has been little engagement with mainstream theories from the field of education. It is also clear that the TIM literature conceives of learning in a very different way to conventional policy analysis. Although skilled labour is acknowledged as important, it is the way in which production processes are organised and institutionally supported, rather than the training of individuals or supply of skills, which is considered crucial for competitiveness. Thus, innovative products or services, rather than qualifications, are the most important outcome of learning. There are three important insights which can be drawn from this literature.

The first is that learning is interactive and context dependent. Running through the TIM literature is the idea that a web of interactions and relationships between firms and/or other institutions within favoured regions, or other sub-national scale territories, facilitates and supports mutual learning. This gives firms located within them a competitive advantage over firms located elsewhere. This is often described as 'localised learning', which takes place as firms collaborate with suppliers and clients, monitor their rivals and engage in 'buzz', i.e. the circulation of gossip, information and news.

The second is that learning can be conceptualised at different scales. The TIM literature overall has relatively little to say about learning by individuals, but opens a debate about whether and how firms, institutions and regions might be understood to engage in collective learning, and how learning at different scales is connected. It should be re-emphasised that territorial innovation models, by their nature, consider individuals, firms and other institutions to be bound together in a systemic whole (which makes regions an appropriate scale at which to analyse competitiveness). This implies a third insight: that learning resources include both technical or 'component knowledge', which is specific to one part of a production system (e.g. scientific, technical, design or marketing knowledge), but also 'architectural knowledge', which relates to the organisation of a whole system or set of overarching institutions.

An extended discussion of the contribution that the TIM literature can make to debates about learning and skills in the KBE will be published as a LLAKES research paper titled *Learning for the Knowledge-based Economy*.

The economic crisis: impacts and new challenges

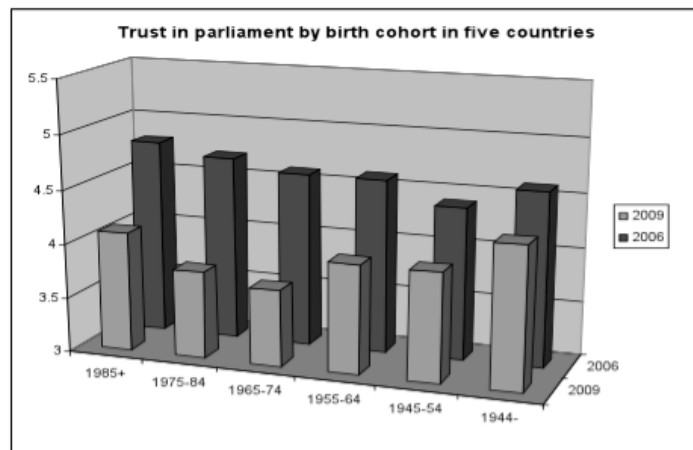
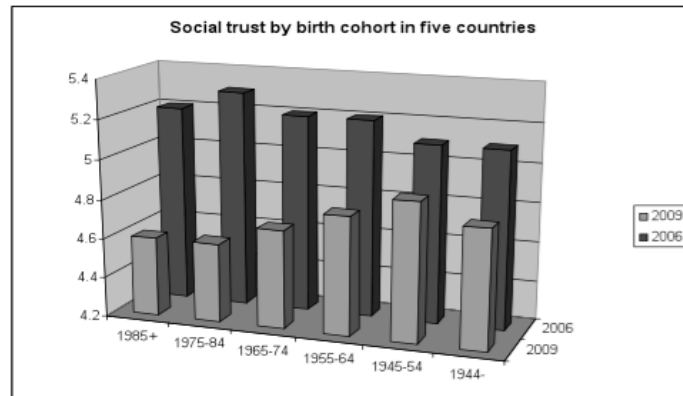
Germ Janmaat, LLAKES.

When LLAKES started back in 2008 we could not have foreseen that the world would be engulfed in an economic crisis not seen since the 1930s. Strand 1 of LLAKES is particularly interested in exploring whether the effects of the crisis differ across social groups and countries. In this article we make some comments on the social and economic impacts of the crisis, drawing on data we are analysing as part of Strand 1 research.

The Social Fallout from the Economic Crisis

In Strand 1 we are particularly interested in the impacts of the economic crisis on different social groups. Is the pain of the crisis distributed equally across all groups or are those on low incomes, the young, women, immigrants and public sector workers hit harder? The generational divide has our particular interest for two reasons. First, the young, who are more often working in temporary jobs, are much more likely to have lost their jobs than the older generations, because cutting back on temporary staff is usually the first measure that employers take when confronted with an economic crisis. Unemployment and lack of relevant work experience are also more prevalent among the young, which means that in times of crisis it will be particularly difficult for them to find work. Second, cutting back public expenditure on higher education and childcare, areas that affect the young in particular, is becoming increasingly prevalent among western governments.

We recently investigated trends in social and political trust across age groups (Green et al, forthcoming) using data from the European Social Survey (round 2006) and Eurobarometer (72.1 2009). Social trust was measured with the question "most people can be trusted/you can't be too careful". Political trust was tapped with an item on confidence in parliament. Figures 1 and 2, display pooled survey data from the United Kingdom, Sweden, Germany, France and Spain.



Sources: European Social Survey round 2006 and Eurobarometer 72.1 (2009)

These graphs show that the two forms of trust have declined in all age groups but have fallen most in the younger age groups over a period of three years from 2006 to 2009. Yet, youngsters have not only responded to the economic crisis by becoming more distrustful. Judging from the sheer number, size and geographical extent of social protests and demonstrations of the last two years, they are not only deeply dissatisfied with current politics but are also willing to act in order to bring about social and political change.

In Strand 1 we are well placed to investigate these issues further by making use of a number of data sources which are about to be released: the World Values Study round 2010 and, more importantly, the International Civic and Citizenship Education Study, which collected data among 140,000 14-year-olds in 38 countries. Moreover, and most importantly, we are about to finish the data collection of our own project on perceptions of inequality which will provide us with invaluable data on the civic attitudes and behaviours of youngsters across a variety of country and school contexts. These data allow us to examine how and why youngsters participate in society and to see how their perceptions of fairness influence their levels of participation, trust and tolerance.

LLAKES PEOPLE

LLAKES is very pleased to welcome the following new members of staff.

Professor Francis Green has joined LLAKES from the University of Kent. He has been appointed Professor of Labour Economics and Skills Development.

Dr Laura James has joined LLAKES as a Research Officer. She previously worked at the University of Birmingham.

Richard Arnold has been appointed as the Centre Administrator. He joins LLAKES from the University of Oxford.

LLAKES would like to thank the following members of staff for their contributions to the Centre and wish them well in their new endeavours.

Dr Fumi Kitagawa will take up a lectureship in the Business School at the University of Manchester in February 2011.

Dr Magdalini Kolokitha is now working as a researcher with Professor John Preston at the University of East London.

Dr Kate Bishop has left NIESR to begin a new career in dance instruction.

Jeremy Tayler, formerly the Centre Administrator, has emigrated to Finland with his family.

LLAKES BOOKS

LLAKES Book series

LLAKES will be editing a new book series to be published by Palgrave. The series, entitled 'Education, Economy and Society', will be edited by Andy Green and Lorna Unwin from LLAKES, and Professor Karen Mundy who is based at the Ontario Institute for Studies in Education, University of Toronto. It aims to provide a platform for research and policy debate on issues that lie at the interface between learning, economic competitiveness and social cohesion policy and practice. The first book in the series, to be published in May 2011, will be: *Regimes of Social Cohesion: Societies and the Crisis of Globalisation*, co-authored by Andy Green and Germ Janmaat.

Building on Green and Janmaat's previous work on education, equality and social cohesion, this book analyses the various mechanisms that hold

different societies together and how these are withstanding the strains of the current economic crisis. In an original, and highly interdisciplinary, mixed method, comparative approach, drawing on evidence from historical sociology, political science and political economy, Green and Janmaat identify four major traditions of social cohesion in developed western and east Asian societies, each with specific institutional and cultural foundations. An extensive statistical analysis of contemporary administrative and attitudinal data for 30 plus countries demonstrates that there are still distinctive 'regimes of social cohesion' in 'liberal', 'social market' and 'social democratic' countries and that they achieve social bonding in quite different ways. As the crisis of globalisation unfolds in the wake of the global financial crisis, social cohesion in each regime is vulnerable at different points.

Three LLAKES Professors commended in book awards

Alan Felstead, Alison Fuller, Lorna Unwin and Nick Jewson have been highly commended for their book *Improving Working as Learning* (Routledge) by the Society for Educational Studies:

"This book is based on detailed diverse workplace case studies. It is an original piece of work in which the Working as Learning Framework is explored and discussed. The authors in this very well written book make good suggestions for improving the conditions for nurturing and sustaining learning at work."
Society for Educational Studies

The Learning Challenge of the Knowledge Economy, Sense Publishers, 2010

David Guile

A new book by David Guile, Reader at the Institute of Education, University of London, and a Project Leader in the LLAKES Research Centre, has been published by Sense. The book, titled *The Learning Challenge of the Knowledge Economy*, introduces a new perspective on the knowledge economy and the learning challenge it poses for individuals, organisations and societies. By using qualifications as a proxy for measuring the levels of skill in the labour market, policymakers have with a very narrow conception of learning in educational institutions and workplaces. Moreover, they have failed to

spot that knowledge economies presuppose the creation of the types of cultures that facilitate the application and development knowledge and skill in public and private sector organisations. The book outlines a new integrated conception of professional, vocational and workplace learning that public and private sector organisations could employ to foster more meaningful approaches to working and learning.

The Sage Handbook of Workplace Learning, Sage, 2010

Margaret Malloch, Len Cairns, Karen Evans and Bridget N O'Connor

Professor Karen Evans has jointly edited the latest volume in the prestigious Sage Handbook Series, launched in October 2010. Authors who have also contributed to The Sage Handbook of Workplace Learning include LLAKES members Professor Lorna Unwin, Professor Alison Fuller, Dr Natasha Kersh, Dr David Guile, Dr Edmund Waite.

Making Sense of the Global: Anthropological Perspectives on Interconnections and Processes Cambridge Scholars Publishing, 2010 Raúl Acosta, Sadaf Rizvi and Ana Santos

A new book has been jointly edited by Sadaf Rizvi, LLAKES Research Officer. Titled, *Making Sense of the Global: Anthropological Perspectives on Interconnections and Processes*, this book highlights the significance of anthropology in making sense of the intercultural encounters taking place around the world. Even though the discipline was born out of the need to understand the way humans interact, it had for decade been trapped in a counter-cultural stance that effectively disarmed it of any direct influence on public affairs. Recent global trends, however, have brought this academic discipline to the attention of governments, agencies and social entrepreneurs, because of its capacity to create bridges of understanding between people of contrasting cultures. This ability is today more necessary than ever before in facing the challenges posed by the shrinking of world. The book provides reflections on what anthropological research can offer through its 'thick' analyses, and demonstrates how ethnographic research can contribute to a better understanding of social phenomenon in our global times

Improving Literacy at Work, Routledge, 2010

Alison Wolf and Karen Evans

This book by Alison Wolf and Karen Evans maps the fundamental changes taking place in workplace literacy. Modern societies demand high levels of literacy and individuals with poor literacy skills are deeply disadvantaged, whilst governments are increasingly pre-occupied with the contribution that skills can make to economic growth. As a result, the basic skills of adult workers are of concern as never before, having become a focus for workplace and education policy and practice.

Improving Literacy at Work builds on detailed research from the UK to address key questions that are of equal interest elsewhere in Europe, USA, Canada, Australia and New Zealand. Exploring the ways in which adults' literacy skills impact on their working lives, how literacy instruction can change individuals' employability, and how we can develop these essential skills in the workforce, the book provides clear advice on how to develop effective provision.

LLAKES Research Papers

These are the details of the LLAKES Research Papers published to date; several more are in the pipeline. To download full versions of these papers, and to keep up-to-date with new LLAKES Research Papers, please visit www.llakes.org.

- 1. Regimes of Social Cohesion** *Andy Green, Jan Germen Janmaat and Christine Han*
- 2. Questioning the Simplistic Link between Qualifications and Labour Market Entry: New Forms of Expertise and Learning in the Creative and Cultural Sector** *David Guile*
- 3. The Anatomy of Inequalities in Educational Achievements: An International Investigation of the Effects of Stratification** *Tarek Mostafa*
- 4. Classroom Diversity and its Relation to Tolerance, Trust and Participation in England, Sweden and Germany** *Jan Germen Janmaat*
- 5. School Systems, Segregation and Civic Competences among Adolescents** *Jan Germen Janmaat*
- 6. Do Private Schools Increase Social Class Segregation in Basic Education Schools in Norway?** *Jon Lauglo*
- 7. Economic Regeneration, Social Cohesion, and the Welfare-to-Work Industry: Innovation, Opportunity and Compliance in the City-Region** *Alison Fuller, Lorna Unwin, David Guile and Sadaf Rizvi*
- 8. The Chimera of Competitiveness: Varieties of Capitalism and the Economic Crisis** *Andy Green, Tarek Mostafa and John Preston*
- 9. Life Chances, Learning and the Dynamics of Risk throughout the Life Course** *Karen Evans, Ingrid Schoon and Martin Weale*
- 10. Adult Training, Skills Updating and Recession in the UK: The Implications for Competitiveness and Social Inclusion** *Geoff Mason and Kate Bishop*
- 11. A Dangerous Obsession? Rethinking National Indices of Lifelong Learning and Competitiveness** *Jordi Planas and John Preston*
- 12. Bachelor's and Short Degrees in the UK and US: New Social Rates of Return and Non-Market Effects on Development** *Walter W McMahon and Moses Oketch*
- 13. Economic Benefits of Lifelong Learning** *Richard Dorsett, Silvia Lui and Martin Weale*
- 14. Endogeneity Problems in Multilevel Estimation of Education Production Functions: an Analysis Using PISA Data** *Saïd Hanchane and Tarek Mostafa*
- 15. Adult Learning in Decline? Recent Evidence at UK National and City-region Level** *Geoff Mason*
- 16. Globalising UK Higher Education** *Susan L. Robertson*
- 17. Industry knowledge spillovers: Do workers gain from their collective experience?** *Rebecca Riley*
- 18. Swedish Free Schools: Do they work?** *Susanne Wiborg*
- 19. Constructing Universities' Responses to Europe's Lisbon Agenda: the Roles of the European Commission in Creating the Europe of Knowledge** *Roger Dale*

Forthcoming LLAKES Events

Professor Peter Mayo, University of Malta,

Thursday 3 February, 15.00, Room 746

Gramsci, The State and Adult Education

Professor Peter Taylor-Gooby, University of Kent

Monday 28 February 2011, 15.00 to 17.00, Committee Room 1

The Social Ambitions of the Current Government'

Ed Waite, Karen Evan & Natasha Kersh

Wednesday 23 March 2011, 15.00 to 17.00, Committee Room 1

Skills for Life

Nick Pearce, Director, IPPR

Monday 18 April 2011, 14.00 to 16.00, Room 739

For full details visit: www.llakes.org

All events take place at the Institute of Education, 20 Bedford Way, London

The event is free but booking is required. Please email LLAKES - llakesevents@ioe.ac.uk to confirm your place