TRANSITIONS

The Changing Labour Market and its Implications for the Career Development Profession

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Who is in the room?
Who is she??

- Canadian Career Development Foundation
  - Research & Development
  - Policy
  - Capacity Building
  - Leadership
Research

- Improving the School-to-Work Transitions of Youth in Canada: A Scoping Review (2016)
- Transitioning Graduates to Work: Improving the Labour Market Success off Poorly Integrated New Entrants (PINEs) in Canada (2012)
My Lens

- Development
  - Lasting Gifts
  - Future in Focus
  - Career Gear
  - Living, Learning & Earning
  - Building Better Career Futures
  - In Motion & Momentum
My Lens

- **Policy**
  - Framework for Successful Student Transitions (2017, Council of Ministers of Education, Canada)
  - International and pan-Canadian transition policy and programming reviews (2014, 2017)
The distance between ground-breaking research, well-conceived policy and the development of top-notch programs on the one hand, and actual change on the front-lines on the other hand, is often very great indeed.
As you think about the labour market and the future...

- Do you feel completely optimistic?
- Have you given up hope and are awaiting divine intervention?
- Do you feel outraged by the erosion of equity in our economy and fairness in our labour market?
- Do you welcome the gig economy as a brave new world of opportunity?
Session Outline

- Set the Stage: Contradictions and Trends in the Labour Market
- Wicked Problems and Alternative Futures Theory
- Implications on Career Development
- Discussion, Q &A
Transitions

In the immortal words of Marvin Gaye...
rule makers, sustainers, calculators, technicians and artists

Blue collar, pink collar, service and sales
CANADIAN CONTEXT

- Canada leads the world in share of population in tertiary education
- Also leads in rate of youth underemployment – degree holders stuck in precarious work
- Delayed milestones of adulthood
- More well-credentialed youth living in poverty
- Impacts on mental health
- ...At the same time as employers are screaming about skills gaps and a recruitment crisis
Skills Gap? Skills Mismatch??

- STEM-mania
- Lack of clear data on current and projected gaps
- Contradictory “solutions”
How does your labour market context compare with Canada’s?

What similarities do you see?

What different/additional issues exist here in Australia?
Sometimes it feels like...

Willy Wonka and the Chocolate Factory
4 Key Trends Impacting the Labour Market

• Technology
• Financialization
• Business practice
• Sharing Economy
Impact # 1: Technology
Technology Used to Enhance Labour Markets...but this time might be different
Decoupling Productivity and Employment

Digital technologies have boosted productivity in the United States without also spurring the expected job growth, argue Erik Brynjolfsson and Andrew McAfee. A result of this decoupling is that while gross domestic product (GDP) has risen, median income has not, and inequality has grown.

**U.S. productivity and employment**

Beginning in 2000, a widening gap between productivity and private employment showed up in federal labor statistics (indexed: 1947 = 100).

- Productivity
- Employment

Job growth suddenly slowed in 2000, while productivity remained robust.

Smaller gaps between productivity and employment have been seen before.
Technology: Case in Point

**IN 1960:**
- $7.6 billion in *annual* profits (current dollars)
- 600,000 employees

**IN 2015:**
- $18 billion in *quarterly* profits
- 93,000 employees

**IN 2012:**
- Facebook bought Instagram for $1 billion
- Instagram had 13 employees
Impact # 2: Financialization
Financialization

• Best return to shareholders over the shortest return period

• Market analysts shape business decisions rather than the other way around

• Downsize and distribute instead of retain and invest
Financialization
The Tyranny of Ratios

- Return on Net Assets (RONA)
- Return on Invested Capital (ROIC)

**RETURN**

QUALITY IMPROVEMENTS
PRODUCTIVITY IMPROVEMENTS

ASSETS

REDUCE OPERATIONS
- Downsizing
- Contracting out
- Out-sourcing
Impact # 3
Business Practices
Business Practices:
Career Pathways in a 1950s Company

From “Working Better: Creating a High-Performing Labour Market in Ontario” Metcalf Foundation
Business Practices: The 1950s Corporate Structure

Acme Manufacturing Inc

- Manufacturing Division
  - Manufacture Part A
  - Manufacture Part B
  - Manufacture Part C
- Services Division
  - Customer Help Line
  - Phone Order
- Quality Control Division
  - Testing
  - Process Improvement
- Warehousing & Shipping
  - Warehouse
  - Trucking Fleet
- Human Resources Division
  - Recruitment
  - Training
  - Payroll
- Plant Division
  - Maintenance
  - Groundskeeping
  - Cafeteria
Business Practices: The Integrated Firm Now Becomes the Networked Firm
The Tale of the Two Janitors

Marta Ramos, left, is a janitor at Apple headquarters. That’s the same job Gail Evans, right, held at Kodak in the 1980s.
Impact # 4
The Sharing Economy
The Sharing (Gig) Economy
The Sharing (Gig) Economy

PLEASE DON'T TAKE AWAY OUR JOBS

WE Demand
Living Wage Fares
* No Poor Fares
* Protected from Exploitation
* UNION Representation
The Shape of Things to Come?

Moving from this .... to ...... this

Source: The Second Machine Age, Brynjolfsson and McAfee
All of this is having an impact on
Working with Wicked Problems

**WICKED PROBLEM.**
noun | wi-kəd | prä-bləm

a problem that is difficult or impossible to solve because of incomplete, contradictory, and changing requirements that are often difficult to recognize.
The Research Centre for Future Studies collected and analyzed thousands of future scenarios presented in all disciplines (literature, art, movies, economics, political science, etc).

Found 4 archetypal “alternative” future scenarios that have existed across human history.

These scenarios exist in today’s labour market.

They can be used to imagine preferred futures for individuals and organizations.
4 Future Scenarios

- Growth: The Flexing Economy
- Collapse: The Growing Gap
- Constraint: A Return to Values
- Transformation: The Amplified Individual
#1 Growth: The Flexing Economy

Growth: The Flexing Economy

- Favours Highly Skilled Employees in Certain Growth Sectors
- Job Market is Fluid - Lots of Opportunities
- Skills Must be Constantly Upgraded
- Education Expands from Institutions to Online and Community Spaces
- Alternative Credentialing Grows
#2 Collapse: The Growing Gap

- Growing Automation Reduces both Knowledge Work and Entry Level Jobs
- Permanent Underclass Grows
- Governance is in Crisis as it Struggles to Address Needs in a Systematic Way
- Informal Economy and Alternative Currencies Grow.
- More PSE Students Find Their Degrees Unmarketable
Instead of repaying my student loan, I'm returning my diploma... it didn't work.
Constraint: A Return to Values

- Small, local and collaboration are the buzz words in the Labour Market
- Use of technology to support small, local, collaborative ventures
- Entrepreneurial ventures with social responsibility in mind
- Explosion of Social Entrepreneurship
- Problem-seeking becomes a key skill to have.
Transformation: The Amplified Individual

- Coordination Software Allows More Work to Get Done Outside of Large Organizations
- Capital for Business Ventures flows Freely from Crowdfunding, Banks and Venture Capitals
- Entrepreneurial Platforms (Etsy to Kickstarter) are open to Everyone in Every Income Bracket
- Power Balance Shifts from Large Organizations to Individuals
U.S. programmer outsources own job to China, surfs cat videos

By Ramy Inocencio, for CNN

Updated 2:42 AM ET, Thu January 17, 2013
Why Should Labour Market Context Matter to our Field?
Are we stuck in “old think” or in one archetypal story?
Career Development: The Critical Intermediary

- What opportunities exist across the 4 future scenarios for our field?
- Are we being called to think differently about who our clients can/should be?
Are We at a Tipping Point?
Career Development is at the centre of the triangle, linking citizens with the learning and labour market systems they move within and across.
Career Development:
The Critical Intermediary

Our work matters – it changes lives and has real impact.

We are at a point in history when we could extend that impact significantly.
Thank you!

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