The Wise Group Insight and Impact Report 2024

# A Way to Work: Relational Mentoring and the Future of Employability

Emma Dawson and Reuben Duffy



# **EXECUTIVE SUMMARY**

As the UK's leading relational mentoring social enterprise, every year we meaningfully support over 85,000 households to break the cycle of poverty at home, at work, and in the community.

In this report, we have brought together insight from the millions of meaningful interactions made by our hundreds of professional mentors across the UK, drawing out actionable recommendations to transform the future of work.

Issues with mounting debts, poor mental and physical health, lack of transport in rural areas, fuel poverty, and lack of income maximisation support for those in work were found to present major barriers to employment. Some key statistics from our services found:

### WE FOUND:

- 67% of mentees in one service reported having a long-term mental and physical health condition or didn't want to say.
- The pass rate in foundation apprenticeships among young people at risk of entering unemployment who engaged with relational mentoring was 94%, compared to national averages of as low as 40.6%.
- Half of in-work families eligible for fuel vouchers had visited a food bank recently.
- In a rural setting, relational mentoring helped 59.5% of mentees who had been long-term unemployed secure sustainable employment over the course of the service.

Aswell as a digest of current employability services, interviews were conducted with mentors, mentees and employers to identify key areas of improvement. Debt, mental health issues, and lack of confidence were commonly identified as barriers to those in and out of work from escaping hardship. One mentee said, "I would absolutely love to say 'I'm away to work' every morning. There's a lot of people who'd love to say that they're away to work."

### WE RECOMMEND:

- A Dedicated and Impactful Mentoring Service for In-Work Households
- A Fair Debt Consolidation and Repayment System
- Set-up Payments for those entering the Workforce
- Integrated Home Energy and Health Support with new Employability Services
- Eligibility for Employment Support at least one month prior to Unemployment



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### ABSTRACT

This report seeks to offer new, practical solutions to the issues of long-term unemployment and economic inactivity, and in-work poverty. This research is based upon data from the Wise Group, a UK social enterprise which seeks to lift people out of poverty and transform lives through relational mentoring and last year mentored over 85,000 people.

The report includes a background to the external environment, overview of their new relational mentoring approach, analysis of recent services, and interviews with mentors, mentees, and stakeholders. Overall, mounting debts, poor mental and physical health, lack of transport in rural areas, fuel poverty, and lack of income maximisation support for those in work were found to present major barriers to employment.

The report concludes with several recommendations concerning the future of employability. These include a proposal to consolidate debt under a government scheme to be paid off without interest proportionate to income, a dedicated mentoring programme for those already in work but facing hardship and integrating future employability services with net zero retrofitting schemes.



## A WAY TO WORK: INTRODUCTION

The Wise Group is on a mission to break the chains of poverty and redefine lives. We grapple with crucial questions daily: How do we elevate individuals through work? How do we empower them into fair employment? How can we support those unable to work? This report is our roadmap to answers.

In an ideal world, working and poverty would be contradictions, and support would be a safety net for those in need. Yet, countless households struggle, facing more hardship at work than outside it, perpetuating a cycle of adversity in communities.

Our society has become adept at mitigating some poverty impacts, but like stubborn weeds, it persists. At the Wise Group, our Relational Mentoring approach aims to eradicate poverty at its roots. This report delves into the services shaping this approach, capturing insights from mentors, mentees, and business leaders envisioning a fairer employability future.

From this exploration, we offer practical recommendations addressing in-work poverty, breaking barriers for the farthest from employment, and integrating key services. This forms the foundation for a new, forward-looking employability support model.

In the words of one mentee, "I would absolutely love to say 'I'm away to work' every morning." Our hope is that this report transforms this desire into reality for many more across the UK. The Wise Group is committed to making this vision a powerful force for change.

### Sean Duffy, CEO of the Wise Group



# WHAT IS RELATIONAL MENTORING?

# The Wise Group seeks to transforms lives through our Relational Mentoring Approach, supported by our Relational Mentoring Framework.

Relational mentoring is based upon the insight that working with a person across a wide variety of different needs in a professional, evidence-led manner has a compounded impact and delivers more sustainable results. It is necessary as, across traditional services, support is often limited to one specific area of need, such as securing a job, which often leaves underlying issues unresolved.

Our Relational Mentoring approach was developed by mentees and mentors building upon 40 years of experience in supporting as many as a million people towards a happier, healthier future.

This approach has been defined as:

"Relational Mentoring helps people identify and overcome multiple challenges through the relationship built with a professional mentor. Progression is evidencebased so that their journey might help inform and inspire the journey of others.

Mentors invest their time, resource, knowledge, and experience into building a compassionate, voluntary relationship whereby they can professionally support a person to support themselves.

Mentors have the belief in the potential, ability, and wholeness of that individual so that they may guide them towards sustainable, positive change."

This approach is tailored to each situation and recorded using our Relational Mentoring Framework, which consists of 15 key areas of need (below) with crisis management, coaching, advocating, listening and mentoring key methods of delivery.

These needs, identified and updated as part of a customer's journey, are linked to activities and short-, medium-, and long-term outcomes which can then be used to calculate the social impact of mentoring. The Wise Group is committed to delivering £1.5 billion of Social Impact over the next 5 years.

Through our Relational Mentoring approach, mentors almost unanimously said that they sought to help their mentees as much as they could within their remit, be it with housing issues, mental health problems or other external problems.

'I've helped them get money for clothes, for travel, for food", Tracey, Mentor.

"If they need support with something that isn't work related or job search related, we still support them. Even if it's with housing, or gas and electricity bills, or if they need a shopping voucher. We tackle those problems first", Maria, Mentor.



"It's so important that we think holistically and look at all the barriers which are preventing them to go into employment and just be realistic. Building up that relationship between each mentor and mentee has a massive impact", Rebecca, Mentor.

The development of Relational Mentoring has helped to maximise the breadth of support offered to an individual, breaking down traditional boundaries between health, employability, energy, and housing support which has often left individuals unable to access the full suite of support required to make a sustainable change.



## BACKGROUND

# The following section provides a brief overview of the current employment landscape for contextual purposes.

### LABOUR MARKET OVERVIEW

The social, financial, and cultural pressures resulting from the coronavirus pandemic, cost-of-living crisis and persistent intergenerational poverty are continuing to have a profound impact on employment in the United Kingdom. Job vacancies are steadily decreasing across various industries, the number of individuals unable to work due to long-term sickness has reached is historically extremely high, and the total hours worked have fallen below pre-pandemic levels.

Recent research by the House of Commons Library in their briefing: "*UK Labour Market Statistics*"<sup>2</sup> shows:

- 1.46 million people are unemployed (4.2% unemployment rate a 0.3% increase from prepandemic levels due to declines among men and self-employed workers).
- 8.68 million people are economically inactive (20.8% inactivity rate 231,000 higher than before the pandemic but down 45,000 from the previous quarter).
- The estimated number of vacancies is 934,000 (falling by 49,000 on the quarter for the 18th consecutive period, the longest continuous quarterly declines ever documented, but still 133,00 above pre-pandemic levels).

This year, the demand for labour is slowing, leading to a less tight labour market: there is a steady decline in job vacancies and unemployment is on the rise.<sup>3</sup> Forecasts from the Office for Budget Responsibility (OBR) predict that the growing unemployment rate will reach 4.6% by spring 2025.<sup>4</sup>

### **IN-WORK POVERTY**

'In-work' or 'working' poverty refers to a household who experiences poverty despite having a household member in paid employment.

Over recent year, factors including high inflation have exacerbated the issue of in-work poverty, with real incomes falling and expected to continue falling, and the price of food, housing, and energy rising, making it difficult for individuals to afford basic needs. The persistence of high inflation and relatively high interest rates further disrupts economic growth and job creation, perpetuating the cycle of in-work poverty for vulnerable groups in the UK.

<sup>4</sup> OBR, (2023). 'Economic and Fiscal Outlook – November 2023'. Available at: https://obr.uk/economic-and-fiscal-outlooks/ (Accessed 25/01/2024).



<sup>2</sup> Francis-Devine, B., Powell, A. and Buchanan, I., (2024). 'UK Labour Market Statistics'. House of Commons Library. Available at: https://commonslibrary.parliament.uk/research-briefings/cbp-

<sup>9366/#:~:</sup>text=Key%20figures&text=The%20UK%20unemployment%20rate%20was,84%2C000%20above%20pre%2Dpandemic%20l evels. (Accessed 25/01/2024).

<sup>3</sup> Ibid.

According to the Chartered Institute of Personnel and Development (CIPD)<sup>5</sup>, in-work poverty is caused by:

- Low income/pay (pay rises failing to keep up with the rising cost of living).
- Poor job quality and employment practices leading to financial instability and trapping people in low-paid roles.
- Lack of flexible working practices that enable people to fit their work around their caring responsibilities and health needs.
- Underemployment (working insufficient hours to cover their cost of living).
- Financial hardship caused by unforeseen setbacks in personal circumstances (such as relationship breakdown, bereavement, or illness).
- Poverty premium' trapping those on lower incomes in a cycle where they pay more for goods and services.

In-work poverty does not affect society equally, rather, women and ethnic minority groups are disproportionately affected by jobs and working patterns that are associated with in-work poverty. These groups experience factors such as being more likely to have low-paying jobs, being on zero hours contracts, and having to reduce their hours and earnings to manage unpaid caring responsibilities. Such factors increase pressure on vulnerable groups to undertake and continue working in low paid jobs roles. These experiences compound for young people, older people, and people with disabilities.

#### DEBT

Fears concerning growing debts coupled with unstable employment have also been confirmed in the Office for National Statistics' (ONS) "Economic activity and social change in the UK, real-time indicators: 25 January 2024"<sup>6</sup>:

- UK spending on debit and credit cards has increased.
- Potential redundancies have risen to 16% above the same time last year.

Previous research also found that in the last quarter, the total **Direct Debit failure rate increased by 7%** when compared with the previous month, which has been driven by increases in the "electricity and gas" and "loans" spending categories. This rate also increased by 20% when compared with October 2022.<sup>7</sup>

https://www.ons.gov.uk/economy/economicoutputandproductivity/output/bulletins/economicactivityandsocialchangeintheukrealtimeindi cators/latest (Accessed 20/12/2023).



<sup>5</sup> CIPD, (2023). 'Tackling in-work poverty: Guidance for employers'. Available at: https://www.cipd.org/uk/knowledge/guides/in-work-poverty/ (Accessed 20/12/2023).

<sup>6</sup> ONS, (2024). 'Economic activity and social change in the UK, real-time indicators: 25 January 2024'. Available at: https://www.ons.gov.uk/economy/economicoutputandproductivity/output/bulletins/economicactivityandsocialchangeintheukrealtimeindi cators/latest (Accessed 25/01/2024).

<sup>7</sup> ONS, (2023). 'Economic activity and social change in the UK, real-time indicators: 9 November 2023'. Available at:

### **METHODOLOGY**

### To gain in-depth insights into the future expectations, projections, and aspirations from experts in the field of employability, we chose to adopt a qualitative research approach supplemented by quantitative analysis of various Wise Group services.

As well as analysing data from several major services delivered by the Wise Group, we conducted a series of semi-structured interviews, comprising of open-ended questions, to capture the subjective opinions of representatives from various external organisations. We supplemented these interviews with a focus group as an additional method of data collection to include the viewpoints of experts from Deafblind Scotland and The Scottish Union of Supported Employment (SUSE).

This report places a particular emphasis on the knowledge and experiences shared by our internal mentors and mentees. More semi-structured interviews were conducted to gain a balanced understanding of the realities and perspectives of our frontline employment service mentors and our mentees who currently experience unemployment from both Scotland and the North-East.

A key principle at the Wise Group is to integrate real-life experiences into the design and delivery of our services. In line with this principle, we interviewed relational mentors from Scotland and the North-East who have firsthand experience with economic instability, inwork poverty, and unemployment. These individuals have transitioned from being mentees to mentors at the Wise Group, leveraging their personal experiences to offer comprehensive support to others.



# WHAT DOES MENTORING LOOK LIKE?

The Wise Group has delivered several employability and mentoring services, each time seeking to improve the impact delivered for mentees. In this section, we engage with a snapshot of some recent Wise Group services, each providing an insight into requirements for future services.

The story of these various services is a simple one; those struggling with employment face challenges that stretch far beyond their own employability. Only by addressing needs for the whole household across fuel poverty, health, rural issues, confidence, and other factors can gaining and maintaining meaningful employment become viable.

### THE GENDER GAP: WISE STEPS

Wise Steps was a social inclusion service delivered across Tyne and Wear from 2016-2023. The service was available to people of working age who faced various challenges to employment. Wise Steps helped people access employment opportunities, gain work experience, achieve qualifications, and improve their overall well-being and life choices.

A total of **4,436 people were supported** by this service (including improved skills, confidence, self-esteem, wellbeing, improved life chances and motivation) guided by our relational mentoring method.

Over this time, Wise Steps supported:

- 1,046 (about one in four) individuals into employment.
- 523 individuals into training or further education programmes.
- > 182 individuals in transitioning from economic inactivity to actively seeking employment.

Results from two self-assessments conducted among **3,322 Wise Steps mentees revealed significant progress in access to services, wellbeing, and self-esteem**. This illustrates that the relational mentoring approach is highly effective in fostering personal growth and development.

When data was analysed based on gender, women reported higher level of progress compared to men. This may be linked to gender differences in mental health support. On average, women are more likely to seek help for mental health issues compared to men<sup>8</sup>. This openness to seeking help and utilising resources could translate to a higher level of engagement and progress in holistic support services like Wise Steps.



<sup>8</sup> Mental Health Foundation (n.d.). 'People seeking help for diagnosed mental health problems: statistics.' Available at: https://www.mentalhealth.org.uk/explore-mental-health/statistics/people-seeking-help-diagnosed-mental-health-problems-statistics#:~:text=Women%20are%20more%20likely%20than,compared%20to%209%25%20of%20men.&text=Young%20people%2 0aged%2016%2D24,than%20any%20other%20age%20group (Accessed 20/01/2024).

One mentee spoke about her housing situation and how Wise Steps mentors had helped her navigate that, providing support throughout. As she got nearer to work, she felt that she had made progress. She emphasised:

- The importance of a holistic approach in making sure that the individual's needs are met.
- The importance of centring the person. Though this mentee had not yet obtained a job, she felt as though she had made progress and was on the path to a sustainable career through rediscovering her confidence in volunteering.
- Transferrable or indirect skills. Not every training module or experience need be directly related to a job to jumpstart a person's journey on the path to a fulfilling career.

### THE SIGNFICANCE OF HEALTH: FAIR START SCOTLAND

This service, developed by the Scottish Government, provides 12-18 months of tailored, flexible, and person-centred pre-employment support to those who want to find and stay in fair and sustainable work. The service offers supported employment, which follows a recognised model that enables disabled individuals to learn on the job with the help of colleagues and a job coach. The Wise Group delivers this service across areas in the West of Scotland.

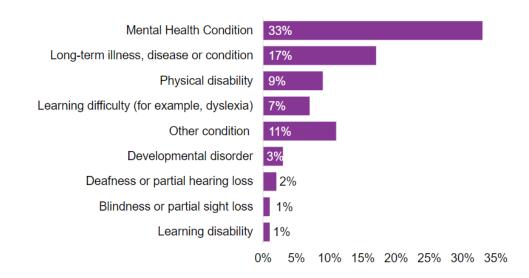
- There were **90,918 referrals and 60,763 starts** to FFS from its launch in April 2018 up to June 2023. The number of starts includes 5,076 people who re-joined the service.
- Out of 55,687 total individuals who were mentored during FFS, there was a total of 21,351 job starts (over 1 in 4 mentees).

A significant proportion of FSS mentees reported having a disability (44%, or 24,404 individuals), compared to 48% (or 26,459 individuals) who did not report having a disability. The disability status was unknown for 9% (or 4,824) of the mentees. Moreover, a majority of the mentees (61% or 34,072 individuals) reported having a long-term health condition, while for 6% (or 3,073 individuals) this information was unknown. The most common long-term health condition reported was a **mental health condition**, which was reported by 33% (or 18,350) of the mentees. This was followed by a long-term illness, disease, or condition, reported by 17% (or 9,199) of the mentees.

The number of mentees with reported mental health conditions is striking. It is clear there is a strong link between these conditions and unemployment. Therefore, promoting mental health awareness and understanding both within employment services and in workplaces is crucial. This goes some way to support individuals, regardless of their mental health status, have fair and equal access to employment opportunities.

An overview of the mentee's reported long-term health conditions is provided below:

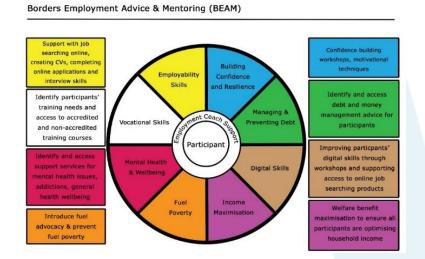




#### **IN-WORK POVERTY: BEAM**

From January to December in 2022, the Borders Employment Advice and Mentoring (BEAM) project supported people in the Scottish Borders, Berwickshire, Eildon, and Waverley who faced unemployment to increase their employability prospect and break down barriers to progress.

The project aimed to support individuals in finding employment by increasing the mentee's confidence, improving mental health, boosting motivation, developing digital and employability skills, and promoting independence. The most common barriers to work included low confidence and motivation, poor mental health, lack of digital equipment and skills, debt, limited vocational and non-vocational skills, fuel poverty, addiction, and difficulties accessing services due to caring responsibilities, health issues, lack of childcare, and poor transport links. Transportation in particular was a major barrier for these rural communities.



There were a total of 87 referrals, 50 of which chose to engage initially. **Out of 50 engaged mentees, 22 secured employment** (25.3% of the overall referrals and 59.5% of the mentees that engaged).



The mentor suggestions stressed that BEAM had the potential to benefit more than just the unemployed and socially inactive. Some individuals who were employed expressed a desire to join the project to improve their employment prospects. They reported to still lack knowledge on creating CVs, completing application forms, and finding better-paying jobs. By widening the eligibility criteria, more people could have benefited from the project.

#### **NEW MOTIVATION TO WORK: NEW ROUTES**

In 2022/2023, our New Routes Throughcare Mentoring service operated across all thirty-two local authorities, empowering male prison-leavers to successfully reintegrate into society. Our mentors use a relational mentoring approach, providing support six months pre- and post-release. By identifying mentee needs and understanding their individual challenges, our mentors effectively **address immediate concerns** and **provide comprehensive support** to each prison-leaver.

Over the last reporting year, New Routes welcomed **1322 prison-leavers** on to the service: an increase of 16% against profile. New Routes mentors engaged with 5210 services across 262 unique support services, spanning diverse sectors to effectively meet each of the prison-leavers needs.

Out of **1322 mentees** supported by New Routes:

- A total of 87% (1148) prison-leavers reported increased motivation to engage with interventions.
- Around three in four (73%; 971) of prison-leavers were motivated to change and improve their financial behaviour.
- One in five (20%; 258) prison leavers were motivated to participate in education and training opportunities.
- Around one in five (19%; 252) prison-leavers were motivated to change their behaviour in relation to employability.
- Over one in three (39%; 512) prison-leavers improved their financial situation.
- 14% (181) of prison-leavers increased their employment skills.

These results showcase a positive shift for individuals exiting prison, particularly in areas of employability and skills development. There is a remarkable increase in motivation to change and improve, with 87% showing heightened engagement with interventions and 19% conveying a desire to alter their behaviour regarding employment.

Additionally, clear improvements towards employment are evident, with 14% enhancing their employment skills. Such improved attitudes and skills are crucial for reducing reoffending rates and enabling these individuals to contribute meaningfully to their communities.

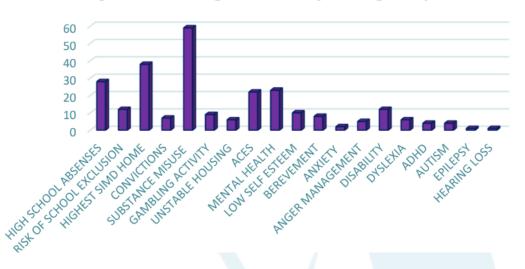
### **WORKING WITH THE WHOLE HOUSEHOLD: NO LIMITS**

No Limits, a pilot service, provided critical early intervention mentoring to young individuals in Dundee and North Lanarkshire, areas with high deprivation levels and disengagement from foundational apprenticeships.

Aiming to facilitate successful completion of apprenticeships in automotive, construction, and hospitality, each mentee received personalised mentorship and activities to boost their confidence and motivation.

Below is a breakdown of some of the challenges faced, with several young people reporting challenges across multiple fields:

Mental health issues often contribute significantly to substance misuse among young people.<sup>9</sup> This misuse can in turn amplify existing mental health problems, creating a difficult cycle to break. Accordingly, the early intervention mentors at No Limits dedicated their time, resources, knowledge, and experience to build a compassionate, voluntary relationship. This allowed them to assist the young people in helping themselves.



### **Range of Challenges Faced by Young People**

Out of the No Limits Mentees who completed regular assessments:

- Job skills saw significant progress, with 77% (23 mentees) making positive strides.
- 60% (18 mentees) saw positive progression in their foundational apprenticeship coursework.
- 87% (26 mentees) saw positive progression in their wellbeing and self-esteem (mental health and social skills).
- 73% (22 mentees) experienced enhanced self-confidence.
- 60% (18 mentees) improved their online digital skills and experience.

<sup>9</sup> Miller, C. (2023). 'Mental Health Disorders and Teen Substance Use', Child Mind Institute. Available at: https://childmind.org/article/mental-health-disorders-and-substance-use/ (Accessed 20/01/2024).



Aspirations and motivation improved for 70% (21 mentees).

Impressively, the retention rate for young people supported by a No Limits Mentor in completing their Foundation Apprenticeship coursework reached 89%, well above the national average. The pass rate amongst the pupils with available data was 94%, compared with a range of 82.2% to as low as 40.6% nationally.

In addition, No Limits also supported:

- 18 young people to write and update their CV in preparation for employment.
- 15 young people to successfully apply for college.
- 15 young people to move into employment or work experience.
- 7 young people decided to stay on at school who previously intended to leave after S4.

Despite the significant challenges posed by high school absences, mental health issues, and substance misuse, the comprehensive relational mentoring approach to support championed by the mentors led to remarkable improvements in the wellbeing, self-esteem, and educational and employment engagement of many young people. This underscores the potential of unemployed youth grappling with mental health disorders or substance misuse to thrive in employment when provided with added support.

### **TACKLING FUEL POVERTY: HEAT**

The Home Energy Advice Team (HEAT) is a GB-wide service which provides telephone and in-person relational mentoring support. Last year, HEAT supported over 25,000 households across England, Scotland and Wales with energy efficiency, budgeting, retrofitting, financial aid, debt relief and negotiation with suppliers at the height of the cost-of-living crisis. Millions of pounds in financial support were distributed and millions of pounds of debt was cleared. Longer term, sustainable change was facilitated through relational mentoring.

Over 300 mentees were interviewed to establish the impact of the HEAT support over the 12-month period of support. Findings confirmed mentees are struggling with low income, unemployment, rising energy costs (including self-disconnection), and poor mental health.

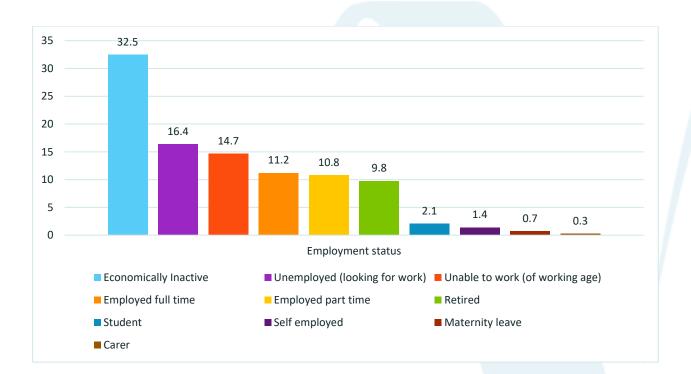
This research found that:

- Half of in-work families eligible for fuel vouchers had visited a food bank recently.
- Families with young children have been hit hardest, with 4 in 5 single parents saying their mental health had been impacted by the cost-of-living crisis, with families with children the only group to ration energy more than food.
- 43% of retired people said they ration food when bills are tight with food being the first to go for 27% of working age households.



- Among those eligible for fuel vouchers, 28.5% of respondents reported food as the first bill to miss, and 17.5% reported energy. 5.8% reported debt as the first bill to miss, but this rose to be the top category for those in work.
- 84% of working families eligible for fuel vouchers reported struggles with paying bills
- 73% reported experiencing heightened mental health issues linked to financial and physical stress. Similarly, around two-thirds (63%) of these respondents also reported increased physical health issues
- Nearly 50% of in-work families who are eligible for fuel vouchers may have visited a food bank
- Just 27% of in-work respondents said they had not suffered mentally, and just 37% had not suffered physically
- In-work people are most likely to first let debt go unpaid, and to miss council tax payment

The Wise Group's 2023 report, Lifting People out of Fuel Poverty in the United Kingdom, made several key recommendations on how to help tackle fuel poverty, including a permanent ban on forced PPM conversions, support for in-work households facing fuel poverty, the establishment of a mechanism to tackle cost-of-living related debt and reform to the energy price cap to a model that provides benefit proportional to need.



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## MENTORS: TRANSFORMING LIVES

Professionally trained and working with dozens of households at a time, mentors are the basis of the Wise Group's insight. Mentors work with people to remove barriers around as many as 15 fundamental needs including housing, addiction, employability, and energy security. These conversations with mentors Conor and Annette help explore the value of this work, the challenges mentors face, and their central place in the future of employability.

#### **CONOR, MENTOR**

Conor joined the Wise Group during the coronavirus pandemic in May 2021. He has been a relational mentor as part of Fair Start Scotland for two and a half years. Conor identified that mental health issues, particularly among younger clients, often lead to quick dismissal of job opportunities. Older clients struggle with the digital gap, finding the modern job-seeking process overwhelming due to unfamiliarity with digital tools.

"Mental health is a big one. I've found a lot of younger clients not knowing what they want to do. When looking at jobs, they say 'that's rubbish, I don't want to do that', and dismiss that job completely, or they go 'I couldn't cope with that', 'my mental health couldn't cope with that'."

"Digital access is a considerable barrier for older clients. When someone has been made redundant after 20 years in employment, the way in which they got that job was showing employers what they can do and having an in-person interview. Whereas now, they're expected to send a digital CV and cover letter, use emails, and send online documents, and they don't really have an idea of what they're doing as they've never needed to use those skills in the past, especially if their jobs didn't include digital tasks."

He also reveals that the complexity and length of online application processes, especially for supermarkets, can be anxiety-inducing and discouraging, often not reflecting an individual's true abilities or job suitability.

"Supermarkets have the longest most difficult application processes I have ever seen. The difficulty of those application processes is a huge barrier for many. The application processes are online and contain multiple difficult tests, scenario questions, and questions that require 500-word responses. This is very anxiety inducing, especially for those who have been long-term unemployed. Those tests also will not reflect the abilities of that individual and whether they will be good at that job."

Conor highlights that long-term unemployed individuals often avoid seeking work due to the fear of financial uncertainty and lifestyle changes. The prospect of employment, with its potential



impacts on their budget and benefits, is especially intimidating to those struggling with mental health issues, making it rare for such individuals to pursue jobs.

"When someone is long-term unemployed, they know what their life looks like. No, they don't have a lot of money and they can't afford luxuries. But they know exactly what's coming in every four weeks, they know what goes out, and they know how to handle that and how to budget. Like the fear people have about losing their job, those who are long-term unemployed have the same fear of uncertainty about finding employment.

Searching for employment changes their whole life. They need to budget differently; they need to leave their house and cover loads of different expenses. Employment will also impact the stability of their benefits. This is a massive change for people, especially if they struggle with mental health issues. For that reason, it's very rare you will see a real long-term unemployed person decide to go out and get a job."

He envisions an improved future for employability that includes enhanced mental health services and digital skills training accessibility. He also advocates for a reformed benefits system that caters to individuals with disabilities better, provides superior financial support, and changes the way it's perceived by people and employers.

"My main hope for the future of employability is better mental health services and provision with agencies and employers and more and better access to digital skills training and upskilling."

"We need to change the benefits system in terms of better understanding people with disabilities, we need better financial provision, and we need to change the way the benefits system is viewed by people and employers."

### **ANNETTE, MENTOR**

Annette originally joined the Wise Group as a mentor on the Wise Steps service. Since, she has settled into her role as a Relational Mentor in a new Wise Group service working in the North of Tyne.

Annette notes that financial fear, mainly due to potential loss of benefits and risk of debt, hampers her mentees from seeking employment. She also points out that unresolved mental and physical wellbeing issues can cause a new job to quickly end, suggesting these problems need addressing before job seeking.

"What's holding them back the most is financial fear. If you get into work, you lose a substantial part of your benefit, there's no breaking-in process anymore. People's biggest fear is financially falling into debts and not having enough money to pay for what they've got, so they prefer to live on the breadline."

"I focus on people's mental wellbeing and physical wellbeing. You can't put people into work when they've got so many other issues going on in their lives first. That's



what, sometimes in the past, the Job Centre failed to recognise. You know, they were just pressed to go into work and then left work within a week or two because there were other problems stopping them from getting through it."

She highlights the significant debt burden of her mentees, which negatively impacts their employment prospects.

"Some of those I'm working with have a lot of debts. I'm referring them to debt agencies within our service and they're looking at like debt relief forwarders and bankruptcies because they don't have the means to pay it.

Those in-work who are in the same situation generally need to self-refer and many don't have the confidence to do so. They often mentally bury it in the hopes it will go away, and things will get better, but things aren't getting better."

Annette stresses that her focus isn't employment, but building self-esteem, managing benefits reliance, and carer responsibilities. She emphasises the need for individuals to feel prepared for jobs, a factor she believes the government might undervalue.

"Employment is at the back of my mind. That's not the most important thing. It's about self-esteem, the reliance of benefits, being a carer, and potentially being worse off after finding work. Since COVID-19, a lot more people have ended up losing their jobs and it's affected their mental wellbeing, their physical wellbeing, and their confidence. Yes, there may be jobs out there, but I just think it's all about them being ready and built up again. Regaining confidence isn't as easy as the government thinks it is."

She underlines the need for supportive assistance during the initial stages of job seeking and employment. She promotes a compassionate approach to job seeking, acknowledging individual challenges, and aiming to make them job ready.

"Stop forcing people to go into work on their own. There are people out there who have genuine problems who cannot work and need some kind of mentor for the initial stages of their employment journey to get them to the place where they need, and want, to be."

It is notable that both mentors highlighted mental health issues as a significant barrier in the jobseeking process. Conor finds that younger clients often dismiss job opportunities due to mental health concerns, making it a substantial obstruction. Annette agrees, noting that unresolved mental health issues can lead to a rapid termination of new jobs, suggesting that these issues should be addressed before job seeking. They each advocated for improved services and support systems for job seekers. Conor envisions a future that includes enhanced mental health services, and Annette emphasises the importance of focusing on people's mental and physical wellbeing before pushing them into work.



### **MENTEES: TRANSFORMED LIVES**

Every year, Wise Group mentors work with over 85,000 people to transform their lives. People of all different backgrounds and experiences start their journey with the Wise Group, though the turbulence of recent years has had a notable impact on many, physically and mentally:

"Anxiety and depression that I already experience worsened. It makes me agitated and stressed. What's next? What's going to happen next?" "It's a struggle, it's a worry all the time, no money, can't do anything, or go anywhere and it affects my wee boy. I've got to put the heater in one room and then another"

"I had issues with my mental health before this. But its off the scale now" "Secluded myself from others. Have difficulty sleeping due to being worried and anxious about energy costs, my debt and the cost of everything else that has increased of late"

Overall, stress, anxiety, spending more time in bed and fatigue combined with sleeplessness were among the most common issues people are facing.





To gain an insight into what some journey's to escape this cycle can look like, we spoke to some current Wise Group mentees.

#### SARAH, MENTEE

Post-high school, Sarah took a gap year due to career uncertainty and stress. The school's career guidance added to her discomfort as she felt unprepared to commit to a specific career. After the gap year, Sarah had a negative experience working in retail and particularly struggled with the lack of in-work training or emotional support she received. This impacted her confidence, leading her to leave the job and start college. However, the onset of the coronavirus pandemic compounded her struggles, having a profound impact on her mental health. Ultimately, through her doctors, Sarah was referred to the Wise Group in 2023.

Sarah shares that her past negative work experience severely impacted her mental health and significantly reduced her confidence, negatively altering her perception of the workplace. The onset of the COVID-19 pandemic further worsened her mental health, creating additional obstacles to employment.

"My bad experience in work took a toll on my mental health and knocked my confidence a lot. I felt like at that point, I didn't know what to do with my life... That experience altered my perception of the workplace. Then covid happened which made my mental health even worse."

She speaks highly of the relational mentoring approach, which focuses on understanding her as an individual, rather than just looking at her work experience. She appreciates the lack of pressure and the ability to proceed at her own pace. Her mentor has also facilitated her participation in various courses, such as conflict resolution training, which not only enhance her CV but also equip her with tools to handle potential workplace issues that could impact her mental well-being and workplace relationships.

"My mentor stuck to the process of finding my problems, but she done it in a way where she got to know me. She got to know me as a person, looking less at my work experience and more of who I am. I never feel any pressure and do everything at my own pace."

"My mentor has put me on a few courses so I can add to my CV in the future. I'm doing first aid training and conflict resolution training to give me those tools in my bag. I'm the kind of person where, if something happened in the workplace, I take it home with me. So, she's given me bits and pieces to help me with that."

Sarah states that her mentor is doing everything necessary to support her. She believes that with more resources, our relational mentors could provide even more assistance to those in need of support into employment.

"I'd say that they're doing everything they need to do. They have it all covered. If they were given more resources, they'd only go onwards and upwards."



Sarah urges decision-makers to adopt a more individualised approach in job-seeking, acknowledging people's unique experiences and values. She criticises the system for pressuring young people to make early career decisions and perpetuating the cycle of needing a degree and job experience. She argues for career education reform, stating it's unfair to expect young people to decide their life's work.

"There needs to be more attention placed onto individual people and not just being viewed as another cog in the machine. People need more support throughout their lives, in terms of recognising that this person is a human, and their values and experiences cannot be accumulated onto a piece of paper."

"Stop telling kids in school that you need to get a good degree to get a job. Then, when you apply for a job, they say you need experience. I was told to get a degree, how am I supposed to have experience too?"

"Stop asking 15-year-olds what they want to do for the rest of their lives, because they're 15. They're never going to know. That's something I was never told that I wish I was told."

Sarah voices frustration over the stigma associated with individuals with mental or physical disabilities, often wrongly perceived as lazy. Contrary to this, Sarah emphasises her strong desire and the desire of others in similar situations to live average working lives.

"There is a stigma around people who are mentally unwell or even with a physical disability. There's a stigma that these people are just lazy and don't want to work. I would absolutely love to say 'I'm **away to work'** every morning and be able to go and enjoy it and continue my life. There's a lot of people who'd love to say that they're away to work. We're not just wee neds that sit around doing nothing and wondering when our money's going to come in. Most of us, who are in my situation, want to be able to do what everyone else is doing."

### **KELLY, MENTEE**

Kelly worked as a cleaner for 18 years but unfortunately became unemployed due to personal struggles. She started her journey with the Wise Group after being referred by the job centre.

Kelly explains that her employment is hindered by her long-standing mental health issues.

"It has been my mental health that holds me back the most. I've suffered from bad mental health for over 25 years. It gets a hold of you more when you haven't got a job."

"With my mental health, sometimes I can't even brush my teeth. People judge me by my physical appearance and it's hard to even turn up to an interview."

Kelly suggested that the de-stigmatisation of criminal records, and a reduction in the time during which past offenses are considered in job applications, would improve employment opportunities for many people struggling with past convictions.



"I've been in prison in the past and my criminal record from 20 years ago still stops me from getting jobs. My crime wasn't violent, and I've stayed out of trouble for over 20 years. I don't see why they can't just scrap it. My record always gets brought up."

"Stop and really have a look at people. With my criminal record, I've always went for low skilled low pay jobs as nobody will give me a chance otherwise. But as soon as my record comes up, even though it wasn't a violent crime, I've still been put down."

Kelly explains that she has benefited from the relational mentoring approach. The personalised support, covering areas like job centre appointments, carer registrations, literacy courses, and medical appointments, has improved her life, demonstrating the importance of holistic support prior to seeking employment.

"She's been brilliant. She comes to job centre appointments, she helped me sign up for carers to help me care for my mum, and she put me on courses to improve my reading and writing. I was a lot worse off before I met my mentor. She's helped a lot. She even comes to doctors' appointments with me and she's on hand any time. I don't think she could do anything different to help more."



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# WHEN A MENTEE BECOMES A MENTOR

Valuing shared experiences is a common sentiment exhibited by the mentors as they believe these experiences strengthen their ability to connect with and support others. This individualised relational mentoring approach, which included acknowledging and validating unique experiences and challenges, is instrumental in boosting their self-esteem and empowering them to pursue mentorship roles themselves. In many circumstances, as below, this has led to a mentee becoming a mentor.

### **REBECCA, MENTOR**

Rebecca attended school, college, and university but had a tough time due to her mental health struggles while living alone. She tried to balance studying with two part-time jobs and volunteering but eventually lost her jobs because of her deteriorating mental health. After university, she had a baby and had to relocate due to domestic violence, all during the pandemic. The lockdown restrictions made her feel isolated and job hunting seemed impossible. However, when the restrictions were lifted, the Job Centre contacted her and eventually referred her to the Wise Group.

Rebecca's mentor provided significant support in various ways. They recognised her financial constraints and covered the costs for her food and hygiene courses, as well as for her interview clothes and childcare costs. They also understood her challenges with childcare and accommodated this by meeting at locations suitable for her son. The mentor's approach helped to gradually build Rebecca's confidence and self-esteem, which are crucial for employability.

"I'd never heard of any services like Wise Steps. It was very much no pressure and voluntary. Everything was just about me and that's what I needed at that time."

"I can see that my mentor was building up my confidence, building up my selfesteem, because if you haven't got that, then you're not fit for work."

The mentor also acknowledged Rebecca's ongoing mental health assessment and suggested that she needs to prioritise this before work, highlighting the person-centred and pressure-free approach of the Wise Group. Regardless, the comprehensive support Rebecca received meant her confidence was rebuilt, igniting a desire to return to work.

"Things that I love about the Wise Group is that there is no pressure, and it is very person centred. I was in the process of being assessed for PTSD and my mentor suggested said that maybe work isn't for you right now."

"My confidence had been rebuilt and I wanted to get back into work. I could not live on universal credit. I wanted to have nice days out with my son. I wanted to drive."



Rebecca recounts an upsetting experience where she attended a job interview at a hotel, but the manager failed to appear. Her mentor promptly offered support, arranging a meeting at a nearby café to save on travel expenses. During this meeting, the mentor and a member of the employment services team affirmed Rebecca's worth, expressing belief in her potential beyond the hotel job. They encouraged Rebecca to pursue a position as a mentor, instilling in her a newfound sense of confidence and ambition.

"I hadn't had someone hype me up like that and believe in me in so long and it pushed me to go for my mentor's job."

"I went to the interview, smashed it, and got the job. I think because they knew I was a mentee on the service I was so supported through that transitional period going from mentee to mentor. I would not have got that support from any other organisation."

Rebecca emphasises the importance of lived experiences in her role. She believes that having personal experiences, particularly those involving vulnerability and struggle, can be crucial when working with vulnerable mentees. She suggests that her own experiences enable her to engage more effectively with mentees, helping to facilitate positive change in their lives. Her authenticity and personal understanding are perceived as genuine by the mentees, which encourages them to accept her advice because they can sense that she has faced similar challenges.

"In this role, life experiences are key. It's so beneficial when it comes to engaging with mentees. Because they can tell that I'm genuine, when I give them a bit of advice, they can just sense that I've been through that."

Below, Rebecca highlights how she uses her lived experience to help others navigate similar challenges. Her personal experience with financial insecurity led her to launch financial workshop sessions for others in a similar situation in South Tyneside. She hopes that her experiences can prevent others from facing the same fears and difficulties she did.

"Money management was not one of my fortes. I found myself **maxing out** credit cards and I wasn't getting taxed because I hadn't been working for so long. There are so many people who have not been in work or paying tax for ages, who then get back into work and aren't used to having this amount of money. We decided to deliver financial workshop sessions as I knew that the people seeking work were facing similar issues and I wouldn't want anyone to go through the same thing I've went through. There is the fear of bailiffs coming the door and I wouldn't want that for anyone. Thankfully, it didn't get that bad for me, but through life experience I knew I needed to do something."

In connection to this, Rebecca shared her experience of being heavily reliant on food banks and fearing that she would never find employment again.

"When I feel it is appropriate for people who are really struggling, and I can see they're nervous to go for a job interview, I say look, a year ago, I was **relying heavily on food banks**. I didn't think I was ever going to get back into work. I



was worried about my future and look where I am now. I've come a long way. This is what's going to happen for you if you're listen to my advice."

Now that she is in a more stable position, she uses this story to reassure others who are in the position she once was. She encourages them to take her advice, demonstrating that improvement is possible even in the direct of circumstances.

#### **TRACEY, MENTOR**

Tracey, a single mother, balanced her job and social work studies while raising her children. After a job change due to lost passion, she switched careers and added a business degree to her responsibilities. Eventually, exhaustion led her to focus exclusively on her children and degree. Following her education, she spent 14 years in a hostile work environment with low pay, long hours, and unwanted managerial duties. Later jobs also ended negatively, leaving her unemployed. Amidst financial stress, deteriorated confidence, and doubting her abilities, she sought help from the Job Centre. They helped her recognise her potential and referred her to the Wise Group's FSS service.

Tracey's mentor, through the relational mentoring approach, provided her with personalised support that was significantly different from her experiences with formal job centre meetings. Unlike the expected formalities, the mentorship was more personal and tailored to Tracey's needs. According to Tracey, the support she received from her mentor was transformative.

#### "It changed my life. If the job centre didn't refer me, and if it wasn't for my mentor, I don't know where I would be."

Tracey was encouraged by her mentor to apply for an open mentoring role and articulates how fulfilling it was to transition from being a mentee to a mentor. Reflecting on her journey, she appreciated the chance she was given when she struggled with unemployment and job-seeking. She emphasises the decision to see beyond her circumstances and recognise her potential that led to her current role as a mentor.

"While I was a mentee here, I always thought I'd love to have this job. I never thought I'd be a mentor. To train and then employ people that's right for the role is amazing. It gave me a sense of fulfilment. For someone to meet me as an unemployed person who couldn't write my own CV, they were willing to take that chance, to see who I am, see my capabilities and employ me."

Tracey finds her personal experiences allow her to quickly understand and connect with people, helping her to provide more empathetic and effective support. She feels her life experience allows her to see beyond the black and white of situations, as the solution might not be what an individual without similar experiences would consider. When she interacts with clients, she can empathise and connect with them on a personal level, which helps to build trust and break down stigma.

"My life experience works perfect for this job because I relate to the poverty, I relate to 'heating or eating', I relate to not eating to feed my kids. I relate to everything."



"When I'm speaking to a mentee, I've got to ask them personal questions regarding money and finance. One of the questions is, are you a single parent? I immediately hear their tone change because there's a stigma attached to being a single parent. When they say yes, I say 'so you're a superhero? I'm one of those too'. Just a statement like that makes a difference because I know what it feels like to be a single parent and being asked those questions."

Tracey highlights the complexity of unemployment, arguing for a focus on services that improve mental health prior to job-seeking. She also maintains that employers need adequate funding to address these issues.

"It's not just that people are lazy. So many people are unemployed due to mental health issues, and we need to concentrate on services that improve people's mental health for a start. Support starts from the bottom up before we even get to employment. Employers need to have the funding to deal with the problems that they haven't been dealing with."





### THE FUTURE OF EMPLOYABILITY: BUILDING CONSENSUS

Change cannot be enacted alone, and the Wise Group is committed to facilitating the conversation between society and government to find a path towards a fairer employment system.

Therefore, the Wise Group reached out to partners in employability to find meaningful areas of consensus around the future of employability.

#### **INCENTIVES TO WORK**

Annette, mentor, suggests practical incentives such as rent help or skill development, especially for those moving from benefits to work. She emphasises that work should be more financially rewarding than benefits. Conor, mentor, suggests optional wellbeing incentives unrelated to job performance, believing that performance-based rewards can create pressure rather than motivation.

"If someone is coming off benefits, they need to be helped financially when going into work. Employers should offer incentives such as help with rent, free bus fares, or a transferrable skill such as learning to drive, so people have a better safety net" - Annette, Mentor.

"Employers need to make work more financially worthwhile, so people aren't leaving the benefit system and being paid less or paid the same as the benefits" -Annette, Mentor.

"Optional in-work wellbeing incentives are always really good. Employers need to engage with other services and use resources to offer employees better mental health support in work. Where incentives fall is when they are performance related. It may have value for some, but for the majority, it's extra pressure" - Conor, Mentor.

There was a broad agreement that incentivising work can draw more people into jobs. Triage advocated for intrinsic motivation, arguing that meaningful reasons to work surpass external pressures. PeoplePlus mentioned the employers' role in showcasing non-financial work benefits like better health.

"You need to give people compelling reasons to want to do things. That's different from compelling them to do it" - Triage.

"It's about working much more closely with employers and with our cohort of customers to show them that employment is not only good for from a financial perspective, but also for their health and wellbeing. For those who are isolated at home, working can help rebuild confidence" - PeoplePlus.

Ultimately, every respondent believes that work should be more rewarding, both financially and otherwise.



### **CONFIDENCE BUILDING**

Sarah, mentee, shared her experiences and how a negative work environment impacted her selfconfidence and perception of the workplace. Similarly, Tracey, mentor, pointed out the responsibility of organisations to instil confidence in individuals to face the work environment. This underscores the crucial role of mentors and organisations in building a supportive and encouraging environment that fosters confidence and positivity.

"My bad experience in work took a toll on my mental health and knocked my confidence a lot. I felt like at that point, I didn't know what to do with my life... That experience altered my perception of the workplace" - Sarah, Mentee.

"Organisations need to give people the confidence to go into work" - Tracey, Mentor.

Similarly, Triage emphasised improving individuals' perception of themselves in the workplace.

"I think confidence building and improving people's perception of themselves in the workplace are the ingredients to improving employability, but too often we look at them in isolation. If there's a confidence related issue, it's not just about raising confidence, it's about fixing a complex range of other problems. Rebuilt confidence in the workplace can be punctured and deflated quite easily. That's why the long-term goal in mind is to get someone to a position where they are resilient" - Triage.

While confidence is a critical factor in encouraging people into work, it is also vital to address the broader issues that can affect an individual's self-perception and resilience in the workplace. It is a collective responsibility of the individual, mentors, organisations, and employment services to work towards this goal.

#### INCLUSIVITY

Annette, mentor, and Kelly, mentee, both call attention to the need for greater understanding, support, and care for job seekers with physical and mental health conditions. They call for changes in attitudes and increased support for these individuals in the realm of employment.

"The understanding and attitudes towards job seekers with physical and mental health conditions, and the extra time and support they require, needs to be changed in employment" - Annette, Mentor.

"More care needs to be placed on people's mental health" - Kelly, Mentee.

The Growth Company, Deafblind Scotland, the SUSE, along with a mentor and mentee emphasise the importance of inclusivity in the workplace, particularly for marginalised groups such as those with physical and mental disabilities, refugees and migrants, lone parents, and older individuals.



Deafblind Scotland and SUSE focus specifically on breaking down stereotypes and stigma associated with disability. They argue that recognising and accepting individual differences will lead to a more inclusive, equal, and productive employment landscape.

"The big consideration for the future of employability is breaking down the stereotypes of disability. Disarming the stigma of disability and accepting that every person is different will make for a more inclusive, equal, and a more productive employment landscape" - Deafblind Scotland.

"It's about breaking down barriers in the workplace and taking away the stigma that is attached to employees with disabilities" - SUSE.

#### UPSKILLING

Annette, mentor, saw upskilling as beneficial, but she emphasises the need for employers to recognise the personal obstacles that some employees may face, such as health issues or low self-esteem, which can affect their learning capabilities.

"It's always beneficial to upskill someone in work. It's important that skills are transferable as well. A lot of people, because of their nerves, health issues, and low self-esteem, struggle retain information and take things in. Employers need to be more understanding of this" - Annette, Mentor.

Sarah, mentee, shares a personal experience of not receiving adequate training. She adds that providing opportunities for growth can increase job satisfaction and employee retention.

"I was always told 'we don't have the money or the time to train you'. I'd be shown how to do something once then never again. I have an auditory processing disorder, so I need to be shown how to do something a frequently to learn it. I'd be shamed a year later when I couldn't do it" Sarah, Mentee.

"People will be a lot happier and will stay in companies longer if you give them a chance to grow and get better" - Sarah, Mentee.

All respondents agreed on the importance of upskilling in the workplace, but they also suggest different aspects to consider. Benefex and Zellis emphasise the strategic advantage for employers, suggesting that upskilling can prevent job loss due to technological advancements. They argue that upskilling can maintain trust between employers and employees.

"Employers need to focus on upskilling. Some retail companies are planning for the future by retraining their workers so that they won't have to let people go. They're upskilling and cross-training them in different roles so that, if their roles disappear due to the rise in technology, they can just move their workers into different roles. When employers displace people instead, the trust for them is lost" - Benefex and Zellis.



### **REMOTE WORKING**

The respondents communicate a range of perspectives on remote working and the future of employment. While organisations like PeoplePlus acknowledge the effectiveness of remote work, they also point out the need for balance. The Growth Company give prominence to the unparalleled flexibility that remote work offers, which is particularly beneficial for disabled individuals and those desiring a better work-life balance.

"The pandemic showed that remote working absolutely can work but it doesn't work for everybody. I think there's a balance to be struck" - PeoplePlus.

"For disabled people or for having a work life balance, times where you might need to take a rest, it's much easier to do so at home. Different things work for different people but having flexibility is key. Particularly when you've got a tight labour market, people will go where the flexibility is and where the benefits are" - The Growth Company.

Deafblind Scotland provide a downside of remote working for those with sensory disabilities and assert a preference for face-to-face work environments, particularly valuing direct communication, and body language interpretation.

"I prefer face-to-face work environments as I can see that person and see their body language" - Deafblind Scotland.

The SUSE and Annette, mentor, both stress the importance of providing options and making reasonable adjustments for individuals. They argue that the choice between remote and office work can be crucial for performance, mental health, and wellbeing.

"It's about having the option of remote working or working in the office. Having that flexibility can improve performance, job efficiency and the mental health and wellbeing of employees. For the most part, it's about making reasonable adjustments to do what's best for the individual" - SUSE.

"It's about having the option. Those with health conditions who are house bound, but have so many skills, can work at home and have no pressure or anxiety about their physical abilities in work" - Annette, Mentor.

Tracey, mentor, views remote work as a symbol of empowerment and a demonstration of trust by employers. Though, Conor, mentor, observes a decline in the number and accessibility of remote work prospects.

"Working from home is a great thing. It empowers people. If someone has the option to work from home, it conveys a sense of trust from the employer." - Tracey, Mentor.

"A lot of people want work from home. But there seems to be less and less remote working jobs and finding someone a remote job is so much harder than it was two years ago" - Conor, Mentor.



### **ARTIFICIAL INTELLIGENCE**

Although there is an agreement on the growing role of AI in future employment, the organisations offer differing perspectives.

"AI is great for some people but scary for others. Many people with disabilities completely rely on human interaction" - Deafblind Scotland.

"Ultimately, organisations rely on the power of human beings and human skills that AI, as yet, has not been able to replicate. That therefore means that organisations need to be an attractive place to work to make people want to come to work in those places" - Triage.

"There will be more use of AI and technology solutions, but employability is a people-based service, and people need people. I don't think technology can do away with that" - The Growth Company.

Conversely, PeoplePlus sees the future of AI in services they can offer their customers, suggesting a more technology-driven approach. Benefex and Zellis view AI as a potential boost for human wellbeing by removing repetitive work and allowing for more productive and meaningful tasks, which they believe will incentivise work.

"The future has AI in it. For services that we can offer to our customers and to make their journey much brighter and much more innovative and engaging" -PeoplePlus.

"AI can be a boom for our wellbeing. If you're able to take away most of the menial, repetitive work from people's jobs, you leave them to do the stuff that is uniquely human, which in most jobs, is the most creative, human, and empathetic tasks. I think you'll then start to see people develop more purpose and belonging form work, as the boring and tedious tasks are taken away by AI." - Benefex and Zellis.

Concerning fears of AI replacing jobs, Benefex and Zellis argue that AI will create more jobs than it replaces. They see AI's rapid development as holding the potential for significant benefits in the future employment landscape.

"The worry that AI will take people's jobs is understandable. But if you look at the data, most researchers predict that it will replace about 85 million jobs but will produce 95 million new jobs that we don't even understand yet. For example, if you look at app developers, their roles did not exist before the mobile phone. AI is moving rapidly and there's a potential to do a lot of good" - Benefex and Zellis.

In summary, while there is a consensus that AI will play an increasingly significant role in the future of employment, there is also a shared belief in the irreplaceable value of human skills and interaction.



### **COLLABORATION**

From the respondents' perspectives, there is a clear consensus on the necessity for collaboration in ensuring the success of employment services.

Rebecca, mentor, voices her desire for increased collaboration of services, which she believes would result in more successes for the mentees.

"I want to see more of that multi agency work. You only ever see that at the launch of something or at the end of something. Working more collaboratively would result in more successes for the customer" - Rebecca, Mentor.

The representative from PeoplePlus emphasises that a more collaborative approach is required to ensure continuous, year-round service availability to accommodate all individuals irrespective of what time in the year they experience job-loss.

"For the last couple of years, there's been a service in place for roughly half the year for individuals. So, if you happen to be unemployed and need that service when it's there, that's okay. But if half of the year of service is not there, then you don't have a chance. A much more collaborative approach is required right now to get things right for future years" - PeoplePlus.

The Growth Company also promoted a unified approach to simplify the entry into employment services. They aim to reduce the complexity of the criteria and make the process more user-friendly.

"I'd like there to be just one entry point into employability with less difficult criteria. If you are out of work, want to be in work, and want some support, then there should be a single front door." - The Growth Company.

#### **EMBRACING CHANGE**

The statements from across the employability landscape accentuate the importance of change and innovation in improving employability services.

"Employers are doing the same thing and expecting different results" - The Growth Company.

"It is a risk to harnessing change and innovation if we just carry on doing what we've been doing. If you just do what you've always done, you'll always get what you've always had. So, it's about harnessing and engaging with new innovations" - PeoplePlus.

Triage advocates for adapting services to solely reflect the complex needs of an individual, rather than following a formulaic approach. They also emphasise the importance of learning from the past and moving beyond the self-interest of individual organisations and sectors. Finally, Triage expresses optimism for the future, acknowledging the impact of employment services and the need to make the right decisions to effect innovative change.



"Employment services tends to become formulaic. These are the ingredients but not necessarily the things that make a difference. They are indications of things that people might need. But ultimately, it's about treating people as individuals. It's about purpose, personalisation, and integrity." - Triage.

### **A NEW WAY TO WORK?**

The importance of incentivising work is unanimously agreed upon by all organisations, as is the need to remove barriers to getting there.

There is a shared emphasis on developing a comprehensive strategy that does not solely rely on performance based financial benefits. The employer's role in showcasing the benefits of work, practical incentives, and optional wellbeing incentives all play a part in making work more attractive. Confidence building and inclusivity are also key factors in enhancing employability. A positive and supportive work environment and employer attitude are essential for confidence building.

Inclusivity, particularly for marginalised groups, should be at the heart of employability design. Breaking stereotypes, accepting individual differences, and involving these groups in the designing process are steps towards a more inclusive and productive employment landscape.

In addition, advancements in technology, such as the shift towards remote working, and the rise of AI, present both opportunities and challenges in the future of employment. Technological advancements have made the workplace more accessible and introduced roles that were previously unavailable. However, they have also raised challenges, particularly for older generations and those who experience digital exclusion. Remote working offers flexibility and work-life balance, but it does not work for everyone. Some prefer face-to-face work environments, and others stress the importance of providing options and making reasonable adjustments for individuals. As we move forward, it is crucial to strike a balance and ensure an inclusive, adaptable, and flexible future of work.

Lastly, the transformation of employability services requires ambition, an attractive work environment, and employee retention to make a positive impact. Collaboration is deemed essential, with a need for continuous services, a unified approach, simplified entry criteria, and collective efforts. Breaking patterns and embracing change is critical, with the need to avoid stagnation, harness innovation, and personalise services.



## RECOMMENDATIONS

Recommendations are made to be acted upon. In this report, we identified poor mental health, financial instability of securing work, lack of interconnected support, obligations concerning debt, and other cost of living pressures as just some of the issues facing those in need.

### DEDICATED SUPPORT TO TACKLE IN-WORK POVERTY

### A FAIR DEBT CONSOLIDATION AND REPAYMENT SYSTEM

Historic debt was among the most-likely areas people experiencing in-work poverty struggled to keep pace with. A mechanism should be put in place to allow for the consolidation of debts which can be automatically paid off at a rate proportional to income within your pay slip. This will stand to provide a more stable foundation to manage debt beyond the cost-of-living crisis and help facilitate debt write-off where appropriate.

### DEDICATED AND IMPACTFUL MENTORING SUPPORT FOR WORKING HOUSEHOLDS

Those already in work are often closest to escaping the cycle of poverty but can be forgotten when it comes to support around income maximisation, home energy and upskilling. Dedicated services to support those already to overcome barriers to stability and prosperity will greatly enhance the lives of millions of households, encouraging a sustainable future and alleviating pressure on strained services.

### **BRIDGE THE GAP BETWEEN JOBS**

Many services only become available when an individual is unemployed and on universal credit. If an individual knows their employment is coming to an end, intensive support should be available to individuals facing unemployment at least one month prior to end of current employment within all new employability initiatives.

### DISMANTLE BARRIERS FOR THOSE FURTHEST FROM EMPLOYMENT

### SET-UP PAYMENTS FOR THOSE ENTERING WORK

Many struggle in the first month of employment as they wait for their first payday and often fall into debt or go without as they contend with associated costs. Employers and government should consider offering a set-up payment to those leaving long-term unemployment to ensure the first experience of work is not one of greater hardship than unemployment.



### SUPPORT FOR PRISON-LEAVERS ENTERING EMPLOYMENT

Currently, prison-leavers living in government-funded hostels are required to pick up the cost of the hostel if they enter work. Even in areas with rental costs below the national average, hostels can charge £300-£400 per week to residents entering work, leading to a choice between unemployment, homelessness, or crime for residents. We recommend that prison-leavers in government-funded accommodation should not face additional fees in the first months in which they enter work.

### MENTORING SUPPORT IN ADVANCE OF EMPLOYMENT

When those furthest from the employment market enter the workforce without first having fundamental issues alleviated, they struggle to sustain employment. Working closely with people several months before employment can resolve underlying issues, such as addiction, homelessness, and low self-esteem, which stand as a barrier to work. Mentoring support should be available to all individuals who have and failed to find adequate support to sustain employment.

### INTEGRATE HEALTH, ENERGY AND EMPLOYMENT SUPPORT FOR A NEW ECONOMY

### **INTEGRATED HOME ENERGY SUPPORT**

Fuel poverty is a cause and a symptom of unemployment, and where it persists, attaining and sustaining fair work is challenging. In line with Net Zero ambitions, all future employability support initiatives should integrate intensive home energy support, including home improvements, renegotiation of energy debts and upgrades to heating systems. As part of this, a fast stream service for unemployed individuals facing fuel poverty to retrofit homes should be established to meet rising demand.

### **MENTAL AND PHYSICAL SUPPORT**

Poor mental and physical health were the single greatest factor we identified as contributing to unemployment. Health services should be integrated into employment services wherever possible. Where physical and mental health prevents certain types of work, appropriate work in line with that individual's needs and potential should be identified.

### **SOCIAL TARIFF ON ENERGY**

As energy prices remain in flux well above pre-covid levels, many households have struggled to adequately heat their homes, leading to poor living conditions, mounting debt, and self-disconnection. An equitable balance must be found in which tariffs are set at levels proportionate to household income, giving households a chance at escaping fuel poverty.



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