Youth aspirations and the future of work

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The aspirations of young people are essential to their human capital investment, educational choices and labour market outcomes.

Poverty, despair and precariousness are commonly understood to deprive young people of significant opportunities, experiences and even freedom. The effects of poverty can extend beyond economic opportunities and deprive young people of their aspirations, creating psychological scars. Especially in the context of the massive current and future changes in labour markets around the world, is it possible to enhance the beliefs and aspirations of young people, even the most economically marginalized, in a way that helps them overcome what life throws at them? If beliefs and aspirations can be influenced to cause higher levels of labour market attainment, then appropriate policies can be developed.

As confirmed by recent trends analyses, young people remain particularly disadvantaged in the labour market. The transition from school to work is increasingly difficult, with the latest data putting the global youth unemployment rate at 13.6 per cent (ILO 2020). Three in four young people who are employed work in the informal economy, particularly in the developing parts of the world. Informal employment is one of the main reasons behind the high incidence of working poverty among young people. A considerable number of young people are not in employment, education or training (NEET). According to ILO estimattes, more that one fifth of all youth, with three in four of them women, are NEET.

Compounding this situation, the world of work is changing rapidly, with technological and climate change altering the conditions of production and with labour markets undergoing substantial shifts. The transformation of employment relations, the expanding inequalities and economic stagnation greatly challenge the achievement of full employment and decent work for all persons.

If young people are to benefit from the changing nature of the world of work, they need to be prepared, both in terms of their skills attainment and the level of their ambition and aspiration. The aspirations of young people are essential to their human capital investment, educational choices and labour market outcomes. When realistic aspirations combine an individual's agency and belief that change can occur through own effort with the pathways and tools supporting that individual to achieve, success can be the outcome.

Understanding aspirations is important to develop effective employment policies. If the career aspirations and life goals of youth are not considered, employment policies aiming to "match" skills with labour market opportunities may continue to fail young people.

The concept and determinants of aspirations

Understanding aspirations

Aspirations are the drivers of individuals' life paths and well-being. The idea of aspirations as proxies of human choice and determinants of socio-economic outcomes is not new to the social sciences. Since the examination of aspirations in Kurt Lewin's Principles of Topological Psychology (1936), social psychologists have been concerned with the concept and its effects on individuals' actions and interactions in society. The field of sociology introduced the notion of aspirations as determinants of educational and occupational attainment as early as the 1960s. Career aspirations can drive choices in education, job-seeking efforts and, consequently, salaries. Today, there is renewed interest in the role of aspirations in lifetime outcomes and in how they

shape social development. With the work of anthropologist Arjun Appadurai and economist Debraj Ray, there has been substantial research on how aspirations affect the lives of individuals and how aspirations are at the core of socio-economic development efforts. It is at the intersection of the study on aspirations and development policy action that this analysis investigates youth aspirations within the changing world of work.

Appadurai and Ray posited that aspirations are unevenly distributed across society and that people born into poverty, among other structural disadvantages, are less likely to aspire to significant changes in their lives. This then results in low human capital investment and hinders the social mobility efforts that policy tries to promote. According to Appadurai (2004), aspirations are defined as a "capability": The capacity to aspire is the ability to navigate social life and combine wants, preferences, choices and calculations with the circumstances to which a person is born into. However, as a navigational capability, the capacity to aspire is not evenly distributed across society. Individuals born into less privileged backgrounds will have a more limited social frame to explore than their more privileged counterparts.

Ray (2006) contributed to our understanding of the capacity to aspire by introducing the concept of "aspirations failure". He explained that the capacity to aspire can be measured as the distance between where we are and where we want to go. The size of this distance, the "aspiration gap", determines whether aspirations are true motivators of change in the life course or if there is a likelihood of aspirations failure - lacking the capacity to aspire. If the gap is too small, then we will fail to aspire to significant change in our life. Conversely, if the gap is too large, we will fail to turn our aspirations into action. Setting unrealistic aspirations might decrease the motivations to fulfil them. Thus, the relationship between aspiration and action follows an inverted-U shape: too low or too high aspirations will yield limited action, whereas reasonable aspirations will motivate effort and action.

Dalton, Ghosal and Mani (2015) explained the phenomenon further by introducing aspirations failure as a "behavioural bias", something that all people, regardless of their background, can be susceptible to. In their view, individuals can fail to recognize that there is an adaptive, dynamic mechanism between effort exerted and aspira-

tions. Aspirations spur effort and motivate action, but the level of effort we choose to exert will influence our future aspirations through realized outcomes. This dynamic is especially detrimental for individuals with a tremendous number of external constraints, such as limited or the lack of material resources. Because poverty imposes more external constraints, people who are poor must exert more effort to achieve the same result as people who are not poor. Failing to account for this susceptibility in the design of socio-economic development policies can result in low take-up of opportunities or missing them completely.

Acknowledging the relevance of aspirations for development efforts, Lybbert and Wydick (2018) investigated how aspirations can become realized, positive outcomes. They turned to Snyder's (2002) theory of hope²²² to explain how to arrive at successful aspirations: First, individuals need to set a goal in the future (an aspired position). Second, they need to have the necessary agency to carry out the steps needed to reach that goal. Third, they need to visualize pathways to achieve that goal, such as access to cognitive or material tools for their journey.

When what we aspire for our future is aligned with what we believe can be achieved, given our circumstances and through our own effort (Dalton, Ghosal and Mani 2015; Bandura 1993), aspirations become analogous to expectations and more successful outcomes can be achieved. Therefore, while aspirations contain a dimension of preferences, expectations are the product of experiential perceptions, such that they become more context-specific. Through this framework, the inverse-U shape relationship between aspirations and action put forward by Ray can be better interpreted: If too low and too high aspirations discourage motivation, then there is a peak that can be found where aspirations meet expectations at the top of the inverse-U curve. By designing policies and programmes that help recipients visualize possible pathways to achieve their goals, development efforts can use the mobilizing and motivating power of aspirations.

In line with Appadurai's notion of the capacity to aspire being defined by social frames, Bandura (1977) investigated how our social experiences shape how we behave in society. Social learning, either by setting personal boundaries through social norms or by imitating role models, determines how we behave and what we believe to

²²² For Lybbert and Wydick, aspirations belong in the larger framework of "hope", defined as a function of "aspirational hope" (aspirations) and "wishful hope" (dreams). It is a middle ground between what is ideal and what is feasible.

be attainable for ourselves. Bandura introduced another component of cognitive and social learning: "self-efficacy", or the belief in our capacity to succeed in any given situation. Self-efficacy is both shaped by personal experiences and an important driver of aspirations (Bandura et al. 2003).

The study of the capacity to aspire echoes Amartya Sen's "capability approach". Sen (1985) proposed a framework in which human development centres on individuals' capabilities and the real opportunities presented to them to do what they have reason to value (Robeyns 2016). Not unlike Appadurai's and Ray's conceptions of aspiration formation, he posited that opportunities are not solely a factor of their choices but also of their social circumstance (Drèze and Sen 2002). However, Sen conceived social circumstance as what a society could provide for its citizens in terms of structures, as opposed to the cognitive road map envisioned by Appadurai and Ray. Together, they provide a larger picture of the phenomenon: A person's capacity to aspire to, say, productive work, is contingent upon their own experiences (Dalton, Ghosal and Mani 2015), what they learn from society and what society can provide for them. The latter two are of particular interest for policy because it means that work aspirations are shaped by individuals' experience with, the assessment of and their expectations about labour market institutions and policies in their society.

Aspirations require further investigation because they tell us about the well-being of individuals and they tell us something about the cooperative nature of the recipients of development policies and social programmes. If people believe that they have the ability to achieve meaningful change in their lives through effort (Lybbert and Wydick 2018; Dalton, Ghosal and Mani 2015; Bandura 1993) and that they have avenues and pathways, be it by their natural social circumstances (Ray 2006; Appadurai 2004; Bandura 1977) or by design through policy (Lybbert and Wydick 2018), then they will respond to the opportunities offered to them through policy interventions.

What shapes aspirations?

The empirical literature defines aspirations as forward-looking behaviour. Aspirations capture the personal desires of individuals (preferences and goals), their beliefs about opportunities available to them in society (opportunities and pathways) and their expectations about what they can achieve through their own effort in an uncertain future (self-efficacy and agency)²²³ (Favara 2017; Ross 2017; Dalton, Ghosal and Mani 2015; Bernard et al. 2014; Bernard and Taffesse 2014). It is this working definition that has allowed policy and development researchers to disentangle the mechanisms through which the circumstances we live in affect aspirations formation and to which extent an update of aspirations can be reflected in improved outcomes.

Through the frameworks developed by Appadurai (2004) and Ray (2006), aspirations are understood to be socially determined: Our perception of what is available to us in society is greatly influenced by what others around us think and do. The behaviour of our immediate social network is a reference that informs our own behaviour (Chandrasekhar, Larreguy and Xandri, 2020)²²⁴. For example, in a review of risk preferences and social interactions, Trautmann and Vieider (2012) demonstrated that risk-taking behaviour changes along with aspirations when subjects are placed in peer groups in which they suddenly find themselves at risk of losing what they have. Peer frame, or peer structure, is perceived as a social reference point, which changes both aspirations and, as a consequence, risk-taking behaviour and actions. Similarly, with a sample of Chinese workers, Knight and Gunatilaka (2012) observed that income aspirations evolve positively over time with that of their peer frame. Favara (2017) showed that children's and adolescents' aspirations mirror that of their parents and that aspirations are revised over time to adapt to social expectations.

In the same vein, exposure to people outside of our immediate social network can have a positive impact on aspiration formation. With reference to Bandura, Bernard et al. (2014) discussed the relevance of role models in forming our perception of what is feasible in our environment, such as forming mental models and choice sets. Role models need to be people with whom we can identify with socially, and their stories must produce a vicarious experience, engendering emotions strong enough to spur willingness to change our status quo. By providing new information about what can be achieved in our circumstance, role models update

²²³ The first terms are mainly used in the aspirations literature, the second is coined by the theory of hope and introduced in the aspirations literature by Lybbert and Wydick.

²²⁴ See https://web.stanford.edu/~arungc/CLX.pdf.

our beliefs and positively change our aspirations and motivation (Lybbert and Wyddick 2018; Bernard et al. 2014; Beaman et al. 2012; Chiapa, Garrido and Prina 2012; Nguyen 2008; Bandura 1977).

Both Bernard et al. (2014) and Riley (2018) tested the exposure of relatable role models to adults and secondary school children and found a relationship wherein they positively affect behaviour. For Bernard et al., adults change their time allocation with aspirational changes: less leisure time means more time at work and thus increased investment in the education of their children. In Riley's study, the Ugandan secondary school children demonstrated better performance in a mathematics exam when exposed to positive role models.

If new information about what can be achieved in our system is important, so is our perception of the system we navigate (Bernard and Taffesse 2012). The O'Higgins and Stimolo's (2015) study provides an example. Using two-shot trust games with random, anonymous matching, they demonstrated that trust is lower in the face of unemployment or precariousness and that it varies across job-market structures. Bernard et al. (2014) also found the same phenomenon: A large proportion of poor, rural households in Ethiopia indicated signs of fatalistic beliefs, low aspirations and low self-efficacy. Poverty, precariousness and other strenuous circumstances and the opposite – relative richness and safe environments (Knight and Gunatilaka 2012; Stutzer 2004) certainly have an effect on the type of future-oriented behaviour we decide to engage in through the impact on the perception of our available choices and our ability to contest or alter our circumstances (Favara 2017; Dalton, Ghosal and Mani 2015; Appadurai 2004).

Schoon and Parsons (2002) demonstrated this effect by looking at the relationship between the relevance of educational credentials on two different cohort's aspirations and adult occupational outcomes. They found that when the socio-historical context puts more relevance on their academic credentials for employment, the younger generation increases academic aspirations and consequently has better occupational outcomes. Echoing these results, Lowe and Krahn (2000) compared two Canadian youth cohorts and found that occupational aspirations increase in the later cohort, matching the opportunities presented by the trends of the service-based economy in the country.

Finally, some studies suggest that early interventions are desirable for raising expectations and

aspirations. In their report, Gorard, See and Davies (2012) documented a series of studies that looked at aspirations and expectations, their stability over time and their effect on educational outcomes. For example, Gregg (2010) found that reported expectations at age 14 were the best predictors of the score gap between low- and high-income students and thus encouraged policymakers and education workers to start raising aspirations as early as primary school. Lin et al. (2009) found that reported expectations in grade seven (approximately age 12) were positively correlated with academic progress in grade eleven. In the same vein, Beal and Crocket (2010) and Liu (2010) observed self-reported aspirations from grades seven to nine and grade ten until the end of high school and found that they remained mostly stable and that they were decent predictors of educational outcomes. However, the knowledge that aspirations seem to be formed during early adolescence does not preclude programmes from targeting older youth cohorts. On the contrary, this information suggests that aspirations are constant motivators in life and should be approached early but continue to be engaged throughout the life course.

The malleability of aspirations through policy interventions

As our understanding of aspirations in the context of policy and development improve, we gradually see research turn from aspiration formation to increasing aspirations. Natural and field experiments centring on the concept of aspirations and our ability to imagine a brighter future for ourselves have important implications for policy. Mainly, they demonstrate that the success of policy efforts can be partially secured by engaging people who are directly affected by them.

Perhaps in the most famous natural experiment on the topic, Beaman et al. (2012) used a gender quota policy in West Bengal to illustrate how exposure to role models increases educational and career aspirations and outcomes for young girls. In 1998, state policymakers introduced a gender quota for village councils. Some villages were asked to reserve at least one seat for women, some at least two seats; other villages were not asked to reserve any seats at all. Thanks to this design, Beaman et al. were able to compare what happened to the cohorts of girls who were exposed to councilwomen in their villages with girls who were not exposed. From the time of implementation in 1998 until the point of the first

round of data collection in 2007, they observed that exposure to female role models increased primarily occupational aspirations of adolescent girls and their parents, with fewer parents wanting their girls to be housewives, and it improved educational outcomes.

Chiapa et al. (2012) and García, Harker and Cuartas (2016) designed field experiments in which they combined a social programme with exposure to career role models and social leaders. Chiapa and co-authors observed the effect of a Mexican conditional cash transfer programme, PROGRESA, on educational outcomes. They demonstrated that PROGRESA as a social programme raises parental aspirations for their children for at least one third of a school year. When comparing persons who had received the cash transfer and were exposed to healthcare professionals, Chiapa and co-authors found that educational aspirations extended half a school year longer than among the parents who received the transfer but were not exposed to role models. They also found that parental aspirations

correlated highly with students' educational attainment (Favara 2017; Chiapa, Garrido and Prina 2012).

In studying the National Rural Employment Guarantee Act (NREGA) programme in India, Ross (2017) observed how a government has a crucial role in both shaping and maintaining a positive outlook on our environment and circumstances. The NREGA, initiated in 2006, provides poor households 100 days of salaried, low-skill employment in a financial year (if they want it). The stability provided by NREGA increased aspirations of parents and adolescents and is associated with higher educational attainment and an increased probability of being employed full-time.

A framework for developing and achieving aspirations

Judging from the insights generated by natural and field experiments, there seems to be consensus

Developing aspirations Achieving aspirations Structural constraints Labour market High-value goals and to invest / Educational level / quality of education High-cost investments aspiration Finance / economic climate frustation **Property Lived experience** ed cohort aspirations Family -Parental education Realistic individua/ Wealth aspirations Parental occupation Success pathways Community Achievement Community values agency aspirations Role models Peers' perceptions Social context Values Aspiration failure / ▶ Religion Low-value goals and investment Low-cost investments Social norms not Perception of technology and automation worthwhile Climate change Social equality

► Figure 1. Developing and achieving aspirations

Source: Author's adaptation based on Boateng and Löwe 2018.

that it is possible to manipulate the conditions under which aspirations are shaped and that individuals' aspirations matter for successful policy and social programmes as much as they do for life outcomes.²²⁵ When policies assist in aligning citizens' educational and work aspirations with pathways to achieve them, they are more likely to be successful than when they are ignored. For example, programmes that provide both experiential information on how to integrate into the labour market and a financial scheme to aid in that process are more likely to garner a positive response from the targeted population than programmes that do not. Programmes that do not acknowledge that resource scarcity is sometimes more than just financial and that it can include a lack of social experiences that help visualize the different ways in which to put the financial resources to good use tend to miss their mark. Labour market policies thus benefit from a holistic design that includes role models (who generate vicarious experiences) in combination with skills development and other career-support interventions (financing schemes).

Based on insights from the literature and building on a conceptual framework developed by Boateng and Löwe (2018), there are definite determinants of aspiration formation: lived experiences (own and vicarious) and social context shape aspirations, both common aspirations shared by a larger age cohort and individuals' aspirations embedded therein (figure 1). When the aspiration gap is too large, the aspirations will be no motivator of change, and there will be likelihood of aspirations frustration. If the gap is too small, there will be failure to aspire to a significant change in life. When pathways and tools supporting an individual to achieve are combined with that person's agency and their belief that change can occur through their own effort, success can be the outcome.

Labour markets and aspirations

Career aspirations typically drive individuals' educational and occupational choices (Haller 1968; Kuvlesky 1968; Kuvlesky and Bealer 1967) and vice versa. Career aspirations are influenced by the immediate social context through own experiences or vicarious experiences acquired from peers,

parents and successful role models (Bernard et al. 2014; Bogliacino and Ortoleva 2013; Bandura 1977).

In addition to financial remuneration, people aspire to various non-monetary elements related to work, including a healthy work–life balance, social protection, career development and flexibility. Labour market conditions and labour market trends can affect each of these components.

Dimensions of occupational aspirations

Given the large variety of experiences, the availability of role models, social norms and (local) labour markets, aspirations also differ considerably across regions and countries and within countries (across rural and urban settings) and even within individuals, across different stages in life. Boateng and Löwe (2018) described how cocoa farmers in Ghana work in the most respected profession in rural communities because cocoa farming and crops are seen as the pride of the country. But in urban areas, respect is reserved exclusively for office and white-collar jobs. They also showed how aspirations change over the lifespan. As they noted, most young people earn a living from doing ad hoc jobs. "The priority for most young people is to make ends meet and to be seen to be contributing to their immediate and extended families' well-being and upkeep. In other words, the earning potential of various tasks and jobs was the key consideration for most young people." This would enable them to build some savings in the medium term to allow them to raise a family. But for the longer term, they aspired to jobs that were less physically demanding once they passed middle age (Boateng and Löwe 2018).

This example demonstrates that what people value about a job and what they may realistically aspire to in the short, medium and long terms has many dimensions. An important dimension, if not the most important one, is the financial remuneration for the work. Earning a decent income is what enables young people to develop aspirations for the longer term, such as raising a family, building up emergency savings and supporting the family's well-being. But besides financial rewards, other job characteristics and personal occupational preferences come into play, including, for instance: the extent of social protection, the work-life balance, job flexibility, an aspired technical skill level and

²²⁵ These results are in line with educational research that fall under the umbrella of "soft skills". Personality traits and non-cognitive skills (soft skills), such as goals, motivation and other future-oriented behaviour, can predict success in life (Heckman and Kautz 2012) through their effect on schooling decisions and wages related to those schooling decisions (Heckman, Stixrud and Urzua 2006).

learning opportunities, the presence of labour union representation, income stability and, last but not least, outspoken preferences for work in certain sectors (public or private; wage or self-employment; agriculture, manufacturing or services). What exactly young people worldwide aspire to and find important in a job is an empirical question and varies with individual preferences and the socio-economic and institutional environments they operate in.

The following conceptual framework presents a two-way interaction between aspirations and labour market dynamics that jointly determine labour market outcomes and hence feed into future aspirations.

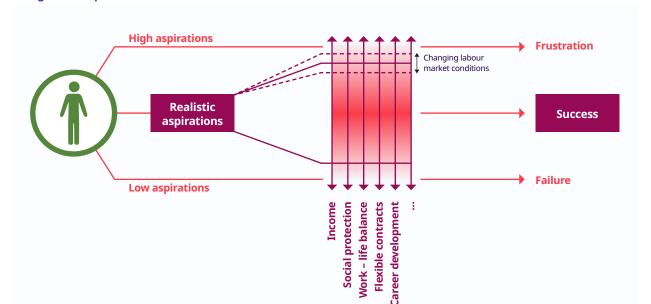
Labour markets and realistic aspirations

The framework reflects three levels of aspiration – low, realistic and high – for a given set of skills. As previously explained, aspirations and action follow an inverted-U shape, where realistic levels of aspiration are at the top limbs of the U and are most conducive to successful aspired outcomes.

The diverse set of aspirational dimensions for a given set of skills is reflected by the red set of arrows (figure 2). Each arrow represents a particular dimension (income), and aspirations can range from low to realistic to high. Individuals may develop strong

aspirations in one particular dimension and weaker ones in another dimension. For instance, when a person is hoping to have an enjoyable work-life balance, the aspired salary may be accordingly a bit lower than for career-driven young people, for whom salary and career development goals will be strong but with less of a work-life balance, demonstrating the links between the different dimensions. How people prioritize different aspirational dimensions is partially determined by their preferences and socio-economic environment and, again, the labour market.

Local labour market conditions also influence the range of realistic aspirations and successful labour market outcomes, as visualized by the dark red colour (figure 2). Yet, labour market conditions change in response to technological, social and economic forces shaping supply and demand, thereby shifting and potentially increasing or decreasing the range of realistic aspirations. Technological change influences how production factors, such as capital and labour, relate to each other and determines the required skills from workers. Automation and robotization may replace workers with machines and drive low-skilled workers and increasingly medium-skilled people out of the market, thus decreasing the likelihood that low- and medium-skilled people will find another job, earn a decent income and work at the technical level they hope to achieve. In that sense, they



► Figure 2. Aspirations and labour markets

Source: Author's adaptation based on Boateng and Löwe 2018.

swipe away aspirations. Hence, more challenging labour markets affect how large the range of aspirations is that individuals are likely to achieve.

Along with technological change, social forces may shape labour market conditions. A minimum wage structure, social protection and employer-employee relationships are largely the result of labour market policy interventions that target the challenging evolutions in the labour market. More flexible labour markets can fuel the aspirations of people who want to combine jobs with study, family or life quality, but they can depress aspirations in, say, the dimension of social protection or career development.

Hence, labour market forces and labour market policies jointly determine how narrow or wide the realistic aspirations window is that can be achieved for any given skills set. A limited range of realistic aspirations for a given skills set can motivate people to engage in education and skills development to open up more perspectives, feeding into new future aspirations.

A proposed framework

Naturally, concepts in the theoretical and empirical literature on aspirations must be operationalized to measure them in social science research.²²⁶ As part of a larger project to assess trends in young people's work-related aspirations, the ILO reviewed 18 surveys with indicators on various dimensions of youth labour market aspirations. The review examined the indicators of work-related aspirations and the specific questions used. The goal was to twofold: to explore concepts and find survey questions that provide a conceptual framework to measure work-related aspirations and to gather the scattered evidence on aspirations and examine the global data trends of young people's aspirations.

The 18 surveys involving youth (or subpopulations of them) asked questions about their aspirations or goals for the future, about what they value in a job or career and about their beliefs and worldviews. While the objective of the surveys was not primarily to collect evidence of youth aspirations in the labour market, many touched on particular

aspects or dimensions of youth (career) aspirations and are hence a good starting point to look at methodologies applied.

The surveys tended to ask young people about their goals in terms of (i) their ideal sector of work, (ii) ideal occupation and (iii) their preferred working conditions. These data collection efforts have been important because little is known about what type of work young people aspire to and what matters to them in a job or career (OECD 2017).

However, identifying and analysing trends in the data proved difficult because of the diversity of data sources, coverage and target groups involved in the different surveys. For instance, the number of countries covered, the number of respondents and the mode of delivery varied widely (figure 3). Modes of delivery included online, SMS and faceto-face surveys and computer-aided personal interviews. Surveys using the internet to collect responses reached respondents in more countries. But the most important difference was the target populations. Most of the surveys targeted youth populations, but the age range differed. Some targeted even entire populations (including adults). The population was often further restricted beyond just the targeted age range.

Other restrictions occurred explicitly because the survey aimed to solicit responses from youth with specific characteristics (such as students). For example, Deloitte surveyed millennials who had university degrees and were employed full-time (mostly in large private-sector enterprises).

The restrictions presented potential sources of bias if the idea is to generalize to the entire youth population (or all millennials)²²⁷ and limited comparison of findings across surveys.

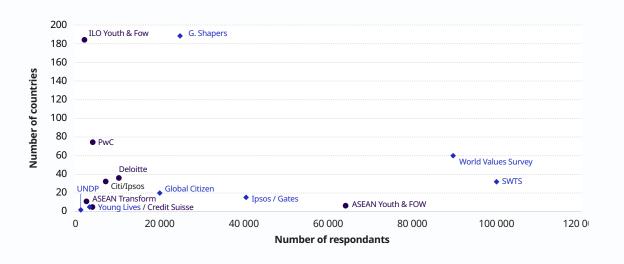
To measure the work-related aspirations of young people, the following framework thus established four domains or dimensions, with corresponding outcome indicators.

The first dimension, "aspirational goals" and related outcome indicators include desired occupation, sector of work and job characteristics. The second dimension, "expectations and obstacles", are

²²⁶ This is more challenging when constructs (or abstract concepts) are multidimensional (Bhattacherjee 2012). Aspirations are a multidimensional concept with many layers. In theory (and in reality), the formation of aspirations is shaped by a simultaneous feedback process in which own and vicarious experience, opportunities and social contexts, intermingle with preferences, psychological traits and ideas about expected outcomes, which evolve aspirations from one point in time to another. The concepts may be dynamic, so it is necessary to pinpoint and articulate constructs that have been used to measure particular dimensions of aspirations.

²²⁷ Many reports on the surveys have catchy titles, such as 2018 Deloitte Millennial Survey: Millennials Disappointed in Business, Unprepared for Industry 4.0, which implies that the results, which were based on a restricted sample population of employed university graduates working mostly in large companies, was generalizable to millennials.

► Figure 3. Country coverage and number of respondents in most of 18 surveys reviewed for youth labour market aspiration



Note: FOW = Future of Work; ASEAN_Transform = ASEAN in Transformation; SWTS = school-to-work transition survey. This figure does not include all the surveys. For example, the preliminary report for the Youth Speak Survey conducted by AIESEC does not report the number of countries or the mode of survey delivery.

Source: Authors' elaboration based on information provided in the reviewed reports on the number of countries and number of respondents.

related but focus on the perceived probability of fulfilling the aspiration, in that it combines goals and preferences with pathways and agency. The proposal includes questions that fit the description and questions for assessing pathways and opportunities, or a lack thereof, by asking what are the perceived obstacles to achieving the aspirations. These perceived obstacles are distinguished from perceptions and beliefs about technology and from general perceptions of the world.

▶ Table 1. A framework for surveying youth labour market aspirations

Outcome of interest	Domains of aspirations	Outcome indicators
What future world of work do young people aspire to?	Aspirational goals	 Occupations Sector of work Job characteristics: flexibility, income stability, learning Worker-employer relationships: occupational safety and health, collective bargaining
	Expectations and obstacles	 Probability of fulfilling aspirations Perceived obstacles to job prospects Technology and automation
	Pathways	 Agency and self-efficacy Social network Value of work-based learning Value of entrepreneurship
	General perceptions	Life goalsClimate change mitigationIncome inequality

Dimension 1, aspirational goals: The domain on goals and operationalizing the aspired goals includes questions on individuals' preferences or ideal sector of work or type of organization as an occupational or career-aspired goal and the related desired values and characteristics of jobs (or careers). An important indicator of aspirational goals is the preferred job characteristics. This indicator relates to the literature that found that aspirations capture personal preferences of individuals (along with their beliefs about opportunities available to them in society and their expectations about what they can achieve through their own effort in an uncertain future). In the context of work, this translates into survey questions that ask youth about the characteristics that their ideal jobs would have (or similar phrasing). In the review, this was assumed to be an underlying driver leading young people to form aspirations to work for a particular type of organization or in a particular sector, hence preferred job characteristics and aspired goals are linked.

Dimension 2, expectations and obstacles: As explained previously, when what we aspire to for our future (aspirational goals) is aligned with what we believe can be achieved, given circumstances (opportunities) and through own effort, aspirations become analogous to expectations. Therefore, while aspirations contain a dimension of preferences, expectations are the product of experiential perceptions, such that they become more context specific. By asking youths about the perceived obstacles to finding a job, their answers reveal perceived limitations or constraints to attaining the goal of a job that reflect a lack of opportunity. In the context of youth and the future of work, this question may reveal an important gap between aspirational goals and successful outcomes.

An indicator of expectations relates to perceptions and/or beliefs about technology. There is a strong debate and a wide range of opinions regarding how new technologies will affect employment opportunities. These perceptions range from a deep fear that jobs (or tasks within jobs) will be destroyed to overall technological optimism – that ultimately new jobs will be created by new technologies. Digitalization, automation and robotization are predicted to change the nature of how we work. This is important for all groups of people, but perhaps it is most concerning for today's youth who are new to (or entering) the labour market. But then again, young people have been exposed to some of today's technologies from a younger age than older

generations, and they may be more comfortable and competent with technology and therefore not feel as threatened by new technologies as older generations.

Domain 3, assessment of opportunities (pathways): Youths' assessment of the value of education, apprenticeships and particular labour market opportunities affect their aspirations (pathways). For example, young people were asked in several of the surveys, "In your opinion, a person needs at least what level of education or training to get a decent job these days?"

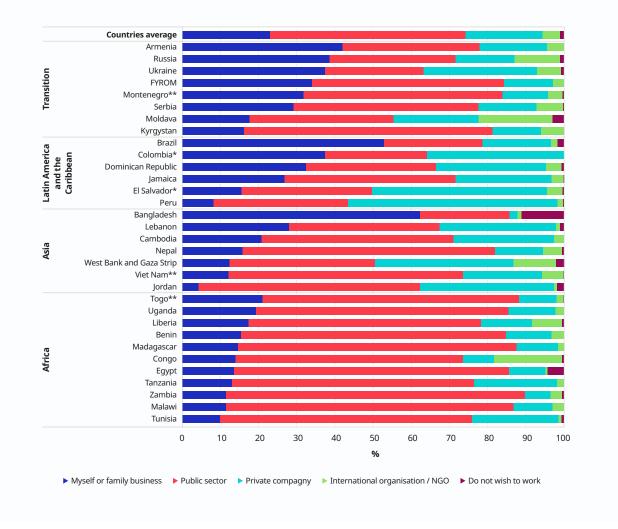
Domain 4, general perceptions and beliefs about the world: Certain survey questions captured general perceptions about the world and future possibilities that might help to shape aspirations. This relates back to the earlier framework that describes how aspirations are developed and achieved, where lived experiences and social messages and beliefs feed into aspiration formulation.

A glimpse into the data reflecting aspirations

Based on the overview of the aspirations concepts, it can be argued that young people are well-off to the extent that their employment preferences are satisfied. In this case, it is important to measure the extent to which the aspirations of young people align with the reality of jobs, particularly in the developing world, which suffers from the largest decent work deficits. Young people who can fulfil their career aspirations and find jobs that bring about greater satisfaction at work are also likely to be more productive in the workplace and in society at large. In contrast, failing to shape such preferences in the light of the reality of the world of work can have serious economic, social and political consequences.

While it is not possible to present the full data analysis that was done on the 18 surveys, a few issues need to be singled out, particularly pertaining to the gaps between aspirations and labour market demand. These issues will provide important insights for policymakers.

For instance, the 2017 report *Youth Aspirations* and the *Reality of Jobs in Developing Countries*, from the Organisation for Economic Co-operation and Development (OECD), is based on the harmonization and analysis of data from 32 school-towork transition surveys conducted by the ILO in



► Figure 4. What sector do young people want to work in? (%)

Note: The figure represents the distribution of answers from students who were asked: "Ideally, who would you like to work for?" Countries are sorted by the share of students within each group wanting to work for themselves or a family business. * = Data for Colombia and El Salvador refer to the urban population only. ** = Estimations for Montenegro, Togo and Viet Nam do not account for sampling weights because they are missing in the data. A message of this study is that existing jobs in developing countries do not live up to youth aspirations and that policymakers and development partners should take this reality more seriously.

Source: OECD 2017.

developing and transition countries in Africa, Asia, Europe and Latin America and the Caribbean from 2012 to 2015. The report points out that the mismatch between youth aspirations and the projected labour demand is alarmingly large in many countries. The job characteristics valued by youth are also rare to find in many of the countries. In that report, the OECD cautions that a large gap between aspirations and reality will lead to lower levels of motivation and productivity, thus increasing frustration and decreasing well-being, and it could even lead to social unrest.

The summarized OECD findings (figure 4) highlight the discrepancies between what youth aspire to and their actual labour market opportunities. This point must be considered carefully, especially in developing country contexts where the absolute lack of opportunity for work is a binding constraint. In a chilling case, described in an ILO report on the *Future of Work We Want* in Latin America and the Caribbean (2017), a young participant told workshop facilitators that (paraphrasing), "If you help us find work, we can eat, and if we can eat, we can think." That participant was subsequently shot by

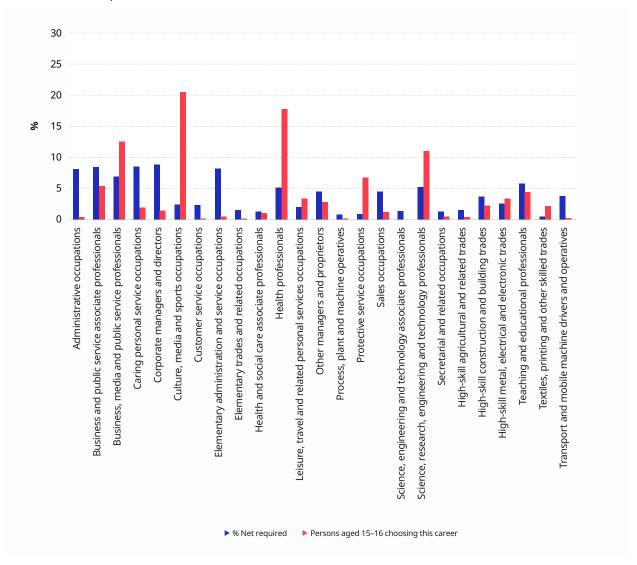
a neighbour in his village for playing music too loud (p. 73). It cannot be overstated that social and labour market conditions are a requisite for dreams and aspirations.

What the OECD researchers found, using the ILO school-to-work transition data, is that students in the countries surveyed overwhelmingly aspired to work in the public sector, at an average of 57 per cent. This contrasts with only 17 per cent of young workers actually employed in the public sector (which includes state-owned enterprises, international organizations, non-government

organizations and public enterprises). Also, in most countries, smaller percentages of youth desired to work in the private sector or self-employment or for a family business than the proportions who actually did. Another risky mismatch is the percentage of students (and even tertiary students) who wanted high-skill work; given the labour market trajectories, they most likely will not be able to fill those aspirations.

The OECD report offers several policy recommendations to help kerb the mismatch between young people's labour market aspirations and reality.

► Figure 5. Aspirational gaps: What 15- and 16-year-olds in the United Kingdom aspire to does not match market demand, 2010–20



Source: Excerpted from Chambers et al. 2018.

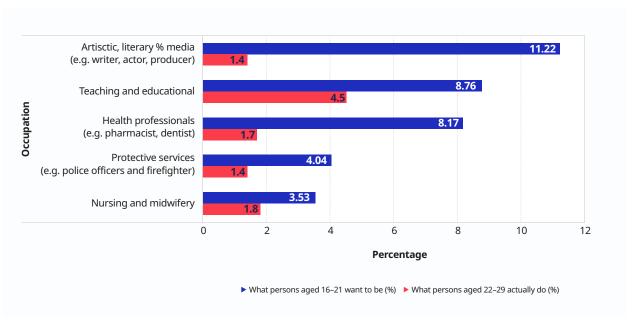
The first recommendation is to provide youth with information about labour market prospects to help guide their career choices. Indeed, around 33 per cent of respondents to the Citi and Ipsos survey said that if they "knew where to find information about job opportunities", it would make it easier to find a job. Yet, the most cited need, by around 48 per cent of respondents, was "more on-the-job-experience" (Citi Foundation and Ipsos 2017).

Although the OECD report gives some information about aspirational gaps, what is evident is a mismatch for a broad classification of sectors (private, public and self-employment). It would be interesting to have an analysis based on economic sector of employment or actual occupations. For example, a study conducted by Education and Employers with the United Kingdom's Commission for Employment and Skills and B-live found that the aspirations of people aged 15–16 had "nothing in common" with the actual and projected demand in the workforce (as cited by Chambers et al. 2018) (figure 5).

Chambers et al. noted that these findings raised a major concern about the large gap between the jobs that actually existed (or was projected to exist) and what young people aspired to do and related this to lack of information. The Office of National Statistics in the United Kingdom published a blog in September 2018 with similar concerns. They found that the top-five dream jobs of young people aged 16–21 in 2011–12 did not align with the proportion of persons aged 22–29 having those occupations in 2017 (figure 6).

A study conducted in Switzerland in 2010 found that around 80 per cent of young people in grade seven (aged 13–15) who were predominantly non-college bound had at least one realistic career aspiration. The Swiss education system is a dual system in which around two thirds of students go to vocational education and training in grade nine. The study asked 252 students to name the vocational education or training or the school they were considering after grade nine. Students were allowed to list as many options as they wanted (Hirschi 2010). Due to the particular structure of the Swiss education system, it was possible for the author to build a measure of how realistic this aspiration was. This analysis is quite distinct from the studies conducted in the United Kingdom, but one interesting difference stems from the fact that students were allowed to mention as many aspirations as they wanted. At least one of those for all but 20 per cent of the respondents was realistic. This suggests that the way in which the responses are solicited can yield different "matches" with reality. If a young

► Figure 6. Aspirational gaps in the United Kingdom: Top five jobs that persons aged 16–21 wanted and the employment of persons aged 22–29 in 2017 (%)



Source: United Kingdom Office for National Statistics, <u>www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandlabourmark</u>

person can list multiple career aspirations, what are the chances that at least one of those is consistent with the labour market demand? This is a different question from the one analysed by the Office of National Statistics and Education and Employers in the United Kingdom.

A message from this analysis is that jobs in developing countries do not live up to youth aspirations and that policymakers and development partners should take this reality more seriously. Reducing the youth employment preferences gap will take time, but it is possible, as evidence from the experimental studies and other analyses of interventions demonstrates.

Improving our understanding of how aspirations affect young people's lives

Many recent surveys sought to better understand the aspirations and expectations of young people in the world of work. But the review of their research designs revealed potential biases in the selection of respondents. While the Deloitte Millennials Survey and the World Economic Forum's Global Shapers Survey targeted the situation of young people in the labour market and their preferences and outlook on the future of work, the respondents were only representative of restricted populations, such as "white collar" youth or students. Many surveys were also limited to collecting information on attitudes and aspirations without linking them to the employment situation or constraints that young people experienced. The ILO school-to-work-transition surveys captured the employment situation of young people but had only a limited set of questions on aspirations. Some surveys, focusing either on a specific region, such as the ILO ASEAN in Transformation Survey, or on a specific group of young people, such as university graduates in PricewaterhouseCoopers' Millennials at Work survey, bridged this gap only partly. They combined questions on attitudes and aspirations with information on the actual situation at work.

Hence, there is rationale to invest considerably into research projects that augment the general understanding of youth aspirations, which in turn should lead to conceiving and designing employment policies that support young people in their aspirations

by allowing them to visualize their prospects and then providing the necessary tools to achieve them.

In conclusion, some recommendations, informed by the in-depth review of the research design of youth-focused surveys, are as follows.

▶ Draw a sample from the youth not in employment, education or training to provide useful comparisons with those youth who are engaged in education or work. Many surveys used a restricted sample population of youths, either explicitly or by default, and solicited responses from youths who were employed or in school. These youths may have systematically differed from youths not employed or in education or training.

One strategy could be to follow an example used by the Young Lives survey²²⁸ and sample young people from groups of interest, including those not working or in education or training. In the analysis of the trends around the world from the 18 surveys reviewed, regional differences emerged. Drawing a larger sample of youth not in employment, education or training does not necessarily imply targeting only developing countries. Comparing the aspirations of such youth in different regions and countries could yield interesting insights.

- ► Consider the targeted age group carefully in the context of the survey objectives. While most of the 18 surveys reviewed for this study targeted youth, a more recent study asked more than 20,000 children aged 7-11 to draw a picture of the job they want when they grow up (Education for Employers 2018). This revealed that social background also influences aspirations already at the age of 7. Thus, relevant questions for policymakers: What age is the right age to intervene if the goal is to help shape aspirations? And are there fundamental differences between aspirations that have been formed at a young age? Are they more deeply rooted and more challenging to reshape than aspirations in later years, or is it the other way around?
- ▶ Include questions to self-assess the probability of achieving goals in survey instruments. In general, when the surveys asked youth about their aspirational goals, they did not ask them to self-assess their chances of achieving those aspirations. Some of the surveys asked youth

²²⁸ Young Lives is an international panel study of childhood poverty that followed the lives of 12,000 children in Ethiopia, India (in the states of Andhra Pradesh and Telangana), Peru and Viet Nam over 15 years.

- about their concerns when applying for jobs (or about obstacles to finding a job), but this is not the same as explicitly asking young people to evaluate their chances of achieving a particular aspiration. One exception is the United Nations Development Programme's survey in Armenia, in which people were asked to assess the probability of the fulfilment of their top goals. This self-evaluation could be introduced via direct (as the UNDP survey does) and/or indirect questions.
- ▶ Include a self-assessment of digital and technical skills when a survey asks questions about technology. The reviewed surveys tended to ask youth a variety of questions about beliefs or general perceptions of the world around them. When the surveys asked youth whether technology is creating or destroying jobs, the question should have been complemented with questions about the respondents' digital and technical skills and capabilities. Collecting this information would be useful because under almost any future scenario of work, generic digital technology will become increasingly important. Collecting information about

- digital skill sets to complement young people's perceptions will yield results that are more actionable for policy and programme design.
- ▶ Introduce additional questions about current activity or occupational status and personal and/or family characteristics. The reviewed surveys often did not include enough information about the current job and personal and/or family characteristics within the same instrument. Because almost all recent survey data on this topic are cross-sectional, this makes it challenging to use the data to analyse the role that aspirations have in labour market outcomes.
- ▶ Complement online surveys with mechanisms for reaching youth who do not have access to the internet. Modes of survey delivery could inadvertently exclude youths who are not using the internet. To reach more youth respondents in a cost-effective way, many recent surveys have been conducted online. While this may yield a larger number of responses, it may also introduce bias.

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