

Are non-graduate jobs stepping-stones into more skill-appropriate positions? Graduates in non-graduate roles (0081)

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Introduction

More than fifteen years ago, Dolton and Vignoles (2000) predicted that in future an increasing number of young people will be expected to hold a higher education degree in order to enter into 'good' job whilst, at the same time, many of them might be unable to secure graduate level jobs and earn the expected high rate of return. This prediction has become a reality for many young people as "getting a degree is a gamble" (Brynin 2013, p. 291), and today school-leavers need to decide whether to invest in higher education in the first place, and if they do so, to carefully select the course and higher education institution (HEI) in order to maximise their return.

This paper compares the circumstances of graduates working in non-graduate jobs, also referred to as 'over-education of graduates'. It describes the first fifteen months of employment of the class of 2009/10 compared to the pathways of the class of 99. It will also identify if the personal and HE-related characteristics of graduates less likely to work in skill-appropriate employment after their degree have changed over the last decade.

Non-graduate jobs as stepping stones

The expansion of higher education has changed the landscape within the UK. Not only do students from disadvantaged background manage to enter higher education, new institutions have appeared to cater for non-traditional students (Boliver, 2013). This has created an 'opportunity trap' (Brown, Lauder and Ashton, 2011) in which the supply of graduates exceeds demand.

Work in non-graduate occupations can act as stepping-stones into more skill appropriate jobs (Verhaest et al., 2015). Graduates use non-graduate employment to support themselves while continuing their search for skill-appropriate jobs. In some cases, their employment might open doors to internal vacancies, and they might be able to move to more skill-appropriate jobs within their current setting. During a recession, employment in non-graduate jobs can act as a bridge until more jobs become available. However, it can also result in graduates becoming stuck in non-graduate positions and not manage to find skill-appropriate employment.

The paper argues that for earlier cohorts, employment in non-graduate jobs has acted as stepping stones whilst the current cohort of graduates struggle to leave their low-skilled positions. It is thought-provoking that the characteristics of those stuck in non-graduate employment has not changed over time.

Data and Method

Aggregated occupational information based on existing secondary data (LFS) together with detailed information was used to identify the skill level of individual occupations. The obtained classification was later validated using empirical graduate data (Elias and Purcell, 2004). The empirical analysis

uses two data sets: Futuretrack and the 'Class of 99'. Both data sets were adapted to be comparable, and were restricted to full-time UK-domiciled graduates from selected HEIs. As a result, there were usable records of 4699 graduates in the Futuretrack data set and 8088 in the 'Class of 99' data. The data were weighted using the weights supplied for in the data sets. The following shows results with regards to graduates' pathways, and the impact of both personal characteristics and HE-related variables on the lengths of time spend in non-graduate jobs. For the full paper, the impact on work in non-graduate jobs will additionally be presented.

Graduates' pathways

As a first step of the analysis, the employed graduates' pathway was compared. As Futuretrack distinguished between graduates from three-and four-year courses leaving higher education in 2009 and 2010 respectively, the following figure shows three graphs. Figure 1 describes the proportion of all employed graduates in non-graduate occupations by the months after leaving higher education. The first July in this chart therefore refers to the year in which the students graduated from higher education, i.e. for the 'Class of 99', figure 1 covers the time from July 1999 to Sept 2000. Futuretrack included two graduate cohorts: the career paths of students on three-year courses were tracked from July 2009 to September 2010 and those from four-year courses from July 2010 to September 2011.

The differences between the cohorts of graduates are clearly visible. While in 1999, more than half of all graduates entered non-graduate occupations; this was less pronounced for the later cohorts. In July 2009 and 2010, approximately 40 per cent of all employed graduates from three-year courses and less than a third of those from four-year-courses entered employment in non-graduate positions. However, whilst for these later cohorts the proportion of all employed graduates in non-graduate occupations have remained on an even level, this was not the case for the earlier cohort. In October 1999, after the summer break, the proportion of graduates working in non-graduate roles decreased to 44 per cent falling steadily to 31 per cent by June 2001.

Figure 1: Transition of graduates in employment – their first fifteen months after leaving higher education

Source: Class of 99, n = 3936 (July 1999) – 4656 (September 2001); Futuretrack (selected HEIs), Class of 09 n=638 (July 2009) – 1070 (June 2011), Class of 10 n=633 (July 2010) – 1047 (June 2012)

Impacts on the length of time spend in non-graduate jobs

A regression analysis was conducted to compare the influences of both personal characteristics and HE-related variables on the length of time graduates spent in non-graduate jobs. Interestingly, there were no significant differences between both cohorts. Female and younger graduates were more likely to work longer in non-graduate positions whilst graduates working outside of London but within the UK were less likely to remain in these kinds of jobs. Unsurprisingly, those from highest tariff HEIs and those holding a first class of degree were more likely to work in skill-appropriate employment. Students who worked during their studies were less likely to work in non-graduate jobs. Finally, graduates from maths, computer science, medicine, engineering and education were more likely to be employed in skill-appropriate positions compared to those who studied natural

science. For the current cohort, graduates from arts courses were significantly more likely to work in non-graduate jobs whilst ten years earlier this had been the case for graduates from humanities subjects. The impact of the socio-economic background, ethnicity or, for Futuretrack graduates, the lengths of courses, were significant for the lengths graduates remained in non-graduate positions.

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