

Institution: University of the West of England (UWE), Bristol
Unit of Assessment: 19 – Business and Management Studies
Title of case study: Classification scheme for graduate occupations used by HEIs and government policy makers
<p>1. Summary of the impact</p> <p>The research outlined below was instrumental in the development of a new classification of graduate occupations, beyond a dichotomous graduate/non-graduate distinction, which has become a standard typology for analysing the graduate labour market. Policymakers and research bodies, such as HECSU and Universities UK, have used it to better understand the impact of higher education, labour market and wider social policy reform, such as migration policy. Most UK HEIs have used this typology to compare employment outcomes for their graduates and it has also proved to be an important point of reference for careers advisors and students to aid educational and career decision-making.</p>
<p>2. Underpinning research</p> <p>Since the late 1990s, Professors Kate Purcell (Director, Centre of Employment Studies Research, UWE 1999-2006) and Peter Elias (University of Warwick) have developed an authoritative and highly influential stream of research on the graduate labour market, with a focus on analysing the implications for graduates of the recent expansion of higher education. Dr Nick Wilton worked as an integral team member at UWE (as research associate 2002-2006) on two large-scale projects as part of this graduate labour market research stream – <i>Seven Years On</i> and <i>The Class of '99</i> – as well as a number of additional 'spin-off' projects.</p> <p>On both of these projects, Kate Purcell was principal investigator whilst employed at UWE. The <i>Class of '99</i> project surveyed in 2003 one in two 1999 graduates from 38 UK higher education institutions spanning the whole range of HE provision, resulting in a survey sample of 8,600 graduates supported by 200 in-depth interviews with a cross-section of respondents, and followed graduates from course completion to four years after leaving university. Adopting a similar methodology, <i>Seven Years On</i> followed up respondents to an earlier study (<i>Moving On</i>) that surveyed a cohort of 1995 graduates three years after graduation in 1998/99. The <i>Seven Years On</i> survey yielded a sample of 4,500 respondents, supplemented by 120 detailed qualitative interviews. Both studies sought to investigate employment outcomes and career progression, the impact of debt and further education, as well as general satisfaction with the higher education experience.</p> <p>The principal conclusion of the research was that expansion in the supply of graduates to the labour market had largely been matched by a commensurate rise in the demand for graduate labour. For instance, the <i>Class of '99</i> study (Purcell <i>et al.</i> 2005) found that nearly 85% of employed leavers were in graduate-level jobs, two-thirds of graduates were in jobs relating to their long-term career plans and only 2-3% of graduates were unemployed. The research has, therefore, been used by advocates of continued higher education expansion to suggest that, despite tentative evidence of a narrowing in the pay gap between graduates and non-graduates, employers were continuing to value graduates' skills and knowledge.</p> <p>The most significant output of the <i>Seven Years On</i> project was the development of a new classification of graduate occupations beyond a dichotomous graduate/non-graduate distinction, derived from SOC2000 and data on occupational change and the distribution of qualifications, and which relates to the type of work performed in a job (Elias and Purcell 2004a; 2004b). This classification is referred to as SOC (HE) and identified four categories of 'graduate' occupation: traditional, modern, new and niche (and, subsequently, a category of 'non-graduate' jobs). This classification was then drawn upon and 'tested' with the <i>Class of '99</i> data. This typology of graduate jobs was instrumental in supporting the conclusion of the research projects and has been widely adopted by a variety of stakeholder groups based on its ability to provide for a more nuanced understanding of graduate destinations, careers and labour market change.</p>

3. References to the research (indicative maximum of six references)

The *Seven Years On: Graduates in the Changing Labour Market* project was funded by the Economic and Social Research Council and Higher Education Careers Service Unit. The grant - £98,720.98 – was awarded to Kate Purcell and the project – co-directed by Elias and Purcell ran from April 2002 to December 2003. *The Class of '99* project was funded by the Department for Education and Skills (with additional funding for subsequent analyses and additional data collection from Department of Education and Learning Northern Ireland, Scottish Higher Education Funding Council and European Social Fund). The awards associated with the *Class of '99* stream of research totalled £249,000 awarded to Elias and Purcell as co-grant-holders. The project ran from 2002 to 2005.

- 3.1 Elias, P. and Purcell, K. (2004a) *SOC(HE): a classification of occupations for studying the graduate labour market*, IER Research Paper Six, Coventry: Warwick Institute of Employment Research
<http://www2.warwick.ac.uk/fac/soc/ier/research/completed/7yrs2/rp6.pdf>
- 3.2 Elias, P. and Purcell, K. (2004) Is Mass Higher Education Working? Evidence from the Labour Market Experiences of Recent Graduates, *National Institute Economic Review*, 90, pp.60–74. <http://dx.doi.org/10.1177/002795010419000107>
- 3.3 Elias, P., Davies, R., Purcell, K. & Wilton, N. (2005) *The Class of '99: A study of the early labour market experience of recent graduates*, DfES Research Report 691, Sheffield
[\[https://www.education.gov.uk/publications/standard/publicationDetail/Page1/RR691\]](https://www.education.gov.uk/publications/standard/publicationDetail/Page1/RR691)
- 3.4 Purcell, K., Wilton, N & Elias, P. (2007) Hard Lessons for Lifelong Learners? Mature graduates and Mass Higher Education, *Higher Education Quarterly*, 61 (1). pp. 57-82. ISSN 0951-5224. <http://dx.doi.org/10.1111/j.1468-2273.2006.00338.x>
- 3.5 Wilton, N. (2007) Does a management degree do the business for women in the graduate labour market? *Higher Education Quarterly*, 61 (4). pp. 520-538. ISSN 14682273.
<http://dx.doi.org/10.1111/j.1468-2273.2007.00370.x>
- 3.6 Wilton, N. (2011) Do employability skills really matter in the graduate labour market: the case of business and management graduates, *Work, Employment and Society*, 25 (1). pp. 85-100. ISSN 0950-0170. <http://dx.doi.org/10.1177/0950017010389244>
- 3.7 Wilton, N. (2012) The impact of work placements on skills development and labour market outcomes for business and management graduates, *Studies in Higher Education*, 37 (5). pp. 603-620. ISSN 0307-5079. <http://dx.doi.org/10.1080/03075079.2010.532548>

4. Details of the impact

The overall impact of the programme of research has been that its conclusion regarding the apparent balance of supply and demand for graduate labour was drawn upon to inform debate and policy development in the area of HE expansion and in the careers guidance given to students prior to and during their degrees. Key policy makers have commented on its value to them in helping to formulate policy. For example, the then Higher Education Minister Bill Rammell said of the research that it “...provides compelling evidence that graduates are benefiting from the skills, knowledge and experiences that they have obtained through Higher Education. What is more, graduates continue to earn a substantial return from their degrees”. Mike Hill, then Chief Executive of the Higher Education Careers Service Unit (HECSU), said: “With competition fierce across the whole job market, this comprehensive research shows that graduates still have the upper hand. The majority of them are on track with their longer-term career plans and getting financial recognition from employers. [This] evidence suggests that the sooner students start thinking about careers, the better, emphasising the critical role careers services must play in students' lives if they are to make the most of their degrees.” The *Class of '99* study was used in the 2011 *Supporting analysis for the Higher Education White Paper* to support its analysis, and is acknowledged within it (BIS 2011: 74).

In addition, the classification developed and tested as part of this research stream has become a standard typology of graduate occupations and continues to be used across a wide variety of

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analyses and cited in policy publications. Deputy Director of Research at HECSU noted that, '*The development of SOC(HE), of which Dr Wilton was an important part, has been amongst the most valuable and important academic work on graduate employment in the last 15 years, and we have made extensive use of it in a range of publications.*' [T2] Analysis of labour market data using SOC(HE) is used to elucidate the findings from the influential *Destinations of Leavers from Higher Education* survey data (for example, Kitchen *et al.* 2008: 11 use SOC(HE) as an analytical tool to compare the occupational outcomes of non-graduates and graduates). The annual '*What Do Graduates Do?*' report jointly published by HECSU and the Association of Graduate Careers Advisory Services (AGCAS) uses SOC(HE) as a central point of reference in providing a comprehensive comparison of early career graduate employment outcomes by degree subject (HECSU/AGCAS 2012: 3). As such SOC(HE) is integral to the annual report that is '*designed to be used by pupils, parents, students and careers advisers. It is intended to provide information about the destinations of graduates from specific academic disciplines so that those considering a particular degree or currently engaged in a field of study are informed about the first destinations of recent graduates following that degree*' (*ibid.*; 1). As such, the classification of graduate jobs provided by SOC(HE) continues to play an important role in the advice and guidance provided to school leavers by careers advisors across further education and in their decision-making made about subject choice in HE. In addition, the SOC (HE) classification is currently used for analysis by the Higher Education Funding Council for England (HEFCE) on graduates' early careers (HEFCE 2008: 22; 2010: 49) to help make an assessment, for example, of the provision of foundation degrees and the occupational impact of academic subjects deemed strategically important, as the basis for policy changes.

The typology is also cited in relation to developments in wider social policy. For instance, SOC(HE) is cited in relation to evidence on migration policy (Migration Advisory Committee 2010: 249), including in the analysis of the points-based system for managed migration (Migration Advisory Committee 2011: 12) to inform the Committee's advice to the Minister for Immigration on which occupations should be considered graduate-level for the purposes of granting Tier 2 Visas. The typology also informs the position of Universities UK on the current state of the graduate labour market (Universities UK 2010) as the basis for informing and influencing policy in the UK university sector. Moreover, the National Performance Framework for Scotland utilises the classification to measure progress towards one of its 'Scotland Performs National Indicators' ('Increase the percentage of Scottish domiciled graduates from Scottish Higher Education Institutions in positive destinations'). Overall, the classification has become established as a standard means of assessing labour market change for graduates and for contributing to and evaluating the impact of developments in social policy.

5. Sources to corroborate the impact (indicative maximum of 10 references)

- 5.1 Department for Business Innovation and Skills (BIS) (2011) *Supporting analysis for the Higher Education White Paper*, London: Department for Business, Innovation and Skills (<https://www.gov.uk/government/publications/supporting-evidence-for-the-higher-education-white-paper-2011>). *Class of '99* study was used in this 2011 Higher Education White Paper to support its analysis, and is acknowledged within it on page 31
- 5.2 **Testimonial available from UWE** from the Deputy Director of Research, Higher Education Careers Service Unit, Manchester, corroborates that development of SOC(HE) has been amongst the most valuable and important academic work on graduate employment in the last 15 years
- 5.3 Higher Education Career Service Unit (HECSU)/Association of Graduate Careers Advisory Services (AGCAS) (2012) *What do graduates do? Career planning for higher education and beyond*, Manchester: HECSU http://www.hecsu.ac.uk/assets/assets/documents/WDGD_Oct_2012.pdf uses SOC(HE) as a central point of reference in providing a comprehensive comparison of early career graduate employment outcomes by degree subject, and the research is referenced on page 3
- 5.4 Higher Education Funding Council for England (HEFCE) (2010) *Foundation degrees: key statistics 2001-02 to 2009-10*, Bristol: HEFCE http://www.hefce.ac.uk/media/hefce/content/pubs/2010/201012/10_12.pdf

Impact case study (REF3b)

the SOC (HE) classification is currently used for analysis by the Higher Education Funding Council for England (HEFCE) on graduates' early careers and is acknowledged on page 49

- 5.5 Higher Education Funding Council for England (HEFCE) (2008) *Graduates and their early careers*, Bristol: HEFCE
https://www.hefce.ac.uk/media/hefce/content/pubs/2008/200839/08_39.pdf
the SOC (HE) classification is currently used for analysis by the Higher Education Funding Council for England (HEFCE) on graduates' early careers and is acknowledged on page 22, footnote 17
- 5.6 Kitchen, S. Lloyd, C. Vignoles, A. and Finch, S. (2008) *Destination of leavers from Higher Education: Comparative Report*, Cheltenham, Higher Education Statistics Agency
http://www.hesa.ac.uk/dox/dlhe_longitudinal/Destination_of_Leavers_from_HE_Comparative_Report_Feb08.pdf Kitchen *et al.* use SOC(HE) as an analytical tool to compare the occupational outcomes of non-graduates and graduates, acknowledged on page 11, footnote 2
- 5.7 Migration Advisory Committee (2010) *Limits on Migration: Limits for Tier 1 and Tier 2 for 2011/12 and supporting policies*, Croydon: Migration Advisory committee
<http://www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/workingwithus/mac/mac-limits-t1-t2/report.pdf?view=Binary> SOC(HE) is cited in relation to evidence on migration policy, acknowledged on page 249, paragraph 9.122
- 5.8 Migration Advisory Committee (2011) *Analysis of the Points Based System: List of occupations skilled to NQF level 4 and above for Tier 2*, Croydon: Migration Advisory committee
<http://www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/workingwithus/mac/analysis-of-the-pbs> corroborates the analysis of the points-based system for managed migration to inform the Committee's advice to the Minister for Immigration on which occupations should be considered graduate-level for the purposes of granting Tier 2 Visas, acknowledged on page 12, paragraph 2.8
- 5.9 Scottish Government, The (2011) *Early Destinations of Students Qualifying from Scottish Higher Education Institutions 2009-10*, Edinburgh: Scottish Government.
<http://www.scotland.gov.uk/Resource/Doc/358468/0121179.pdf> SOC (HE) classification acknowledged on pages 10, 16, and 18
- 5.10 Universities UK (2010) *Recession to Recovery: Changes in student choices and graduate employment*, London: Universities UK
<http://www.universitiesuk.ac.uk/highereducation/Documents/2010/ChangesInStudentChoices.pdf> typology informs the position of Universities UK on the current state of the graduate labour market as the basis for informing and influencing policy in the UK university sector, referenced on pages 4, 14, 22, 23, and 29