



The importance of being employable

It's the latest craze to hit higher education, and it finally promises to bring together the parallel universes of academics and employers.

Paul Redmond asks what employability mean for today's students.

PICK ANY UNIVERSITY PROSPECTUS you like, or if you prefer, log on to a university website. Within seconds you'll spot it - the 'E' word: employability. Flick (or scroll) through the pages and count the number of times it appears ... employability, employability, employability. And it's not just vocational subjects that have caught the employability bug; arts, science and humanities subjects are often just as keen to proclaim their E-credentials. But what does employability mean for higher education's primary consumers – its students?

Deciphering the Employability Code

Articles on employability can sometimes have a touch of the Dan Brown about them – though they're not interested in religious sects or bagging the Holy Grail. At their heart, however, lies a very Brownian challenge – the Quest for the Secret of Eternal Employment.

Attempts to decode this Secret have bewitched, battered and bewildered careers writers since the late 1930s, when the first book on what we now call 'employability' appeared. In 'Think and Grow Rich!' US author Napoleon Hill boldly attempted to list

the key ingredients of career success. And it worked – for him anyway. For the last seventy years his book has never been out of print.

Admittedly, some of it now makes for idiosyncratic reading. “How to outwit the 6 ghosts of fear” is a chapter you won’t see the likes of again. But at its core the big idea remains as relevant today as it did seven decades ago: the secret of career success is within the capabilities of ‘normal’ people, and need not be determined by social background or money. To paraphrase Hill, to be successful in your career, you don’t have to be rich, glamorous, good looking, well connected or all that talented (although, if you do happen to be all of these, you’ve probably got a head start on the rest of us).

All you need is bucket loads of drive, commitment, guts and self-confidence. It also does no harm to be nice to people.

Gradually, from the pages of Hill’s book, the idea of employability began to take shape.

Definitions of employability

Today, Napoleon Hill’s book is rarely mentioned when writers are grappling with definitions of employability. But the meaning stays the same. Perhaps the most widely used of these latter-day definitions is that produced by the higher education ‘think tank’ ESECT (Enhancing Student Employability Co-ordination Team):

“Employability is a set of achievements – skills, understandings and personal attributes – that make graduates more likely to gain employment and be successful in their chosen occupations.”

Not everyone agrees with this. Writing in 2003, academics Brown and Hesketh took issue with this, arguing that employability goes beyond personal achievements and is primarily determined by economic conditions not the capabilities of individuals. Rather than being thought of as a fixed commodity, employability varies according to the ups and downs of the job market. When jobs are plentiful, those with limited skills become employable; and less so when jobs are scarce.

Why is employability so important now?

For universities, there are a number of reasons why employability is so important. Higher education policy in recent years has been shaped by four objectives: the development of a culture in which lifelong learning is seen as the norm; the drive to widen access and participation; increasing the retention of student; and improving the employability of students and graduates.

Yet for universities, employability is a relatively new idea. Prior to the increase of student numbers, graduates were assumed to be among the most employable people in the UK. And on the whole, they were. There were three reasons for this. First, graduates were relatively few and far between in the job market. Second, they were the best qualified. Third, they tended to monopolise ‘high status’ and low risk jobs – medicine, teaching, law, banking, insurance, and so on. As far as the secret of eternal employment went, this combination was generally accepted to be a world-beater.

Not any more. Record numbers of students are currently enrolled in UK higher education and the government is pressing for more. And although most will go on to earn considerably more than non-graduates, degrees can no longer guarantee long-term job security. This is because the world of work, even for graduates, has changed, leading to some very unpredictable results.

According to Richard Scase, in the UK more people now work in Indian restaurants than in shipbuilding, steel manufacturing and coal mining combined. Given Britain’s heavy industrial heritage, this is an incredible development; it’s also one of the reasons why politicians from all parties now look to higher education as the best way to achieve national prosperity. As the government minister Alan Milburn MP wrote earlier this year, only by “a new accent on skills and employability” could Britain hope to face the challenges of globalization?

Experts remain divided, however, over the extent to which degrees guarantee employability. Rather than there being one job

market for graduates, there now exist several. At one end are the “traditional” graduate jobs as advertised by leading ‘blue-chip’ firms; at the other are “non-graduate” jobs, jobs for which degrees were not previously required, but have since been upgraded to take advantage of the numbers of graduates on the market.

Competition for top jobs is also soaring. This year, it is estimated that graduates are competing for around 15,000 “traditional” jobs, with some big name firms receiving upwards of 14,000 applications for fewer than 400 positions. In some sectors, ratios of 50 applicants per vacancy will be common. Not that the playing field for applicants is particularly level. According to the study, when competing for the most prestigious jobs, students from Britain’s top three universities have a 1 in 8 chance of success; those from new universities, on the other hand, face odds of around 1 in 235.

Subjects with the highest levels of employability

The level of employability among degree subjects varies. From a survey undertaken by university careers services it is possible to rank first degree subjects in terms of employment, further study and unemployment. Table 1 illustrates the top 5 first degree subject disciplines for employment, further study, and unemployment. Note, however, that the chart does not include subjects such as Medicine, Dentistry or Veterinary Science.

Of particular interest is the level of employability of Media Studies graduates. Frequently criticised for its curriculum content, media studies along with Marketing record some of the highest employment rates in the UK. It also records some of the highest levels of unemployment. With unemployment at 9.2 per cent this leads to a polarising effect, causing the subject to appear in both the left and right columns.

Types of employment

But what sort of jobs do graduates do? Table 2 shows the extent that job markets for graduates are changing. It also shows how the service sector is gradually increasing its share of graduate workers. Perhaps the most controversial finding is the proportion of graduates working in clerical and secretarial jobs – jobs which in the past have generally been regarded as ‘non-graduate’.

As these tables illustrate, for today’s graduates, the spectre of under-employment appears to be a bigger threat than unemployment.

What do graduates earn?

Central to the debate on employability is the issue of graduate pay. While research generally shows that over the course of their careers graduates earn more than non-graduates, the issue of ‘average’ graduate earnings remains hotly contested. Why?

Table 1: Top five first-degree subjects for employment, further study and unemployment

Top 5 for employment		Top 5 for further study		Top 5 for unemployment	
Marketing	74.4	Law	40.0	Electrical Eng.	10.7
Media Studies	71.3	Physics	31.9	I.T.	10.7
Civil Eng	71.0	Chemistry	31.2	Art & Design	10.3
Business St.	70.2	Mathematics	22.9	Media Studies	9.2
Architecture	67.5	History	22.5	Physics	9.1

Source: What Do Graduates Do? (AGCAS, 2006)

Table 2: First employment, by occupational cluster, 2003-04

Destination	Percentage of graduates
Health-related work	12.8
Clerical and secretarial	12.3
Management (public and private)	9.8
Retail	8.7
Business and finance	7.2
Teaching	6.7
Arts and design related	5.1
Marketing and sales	4.3
Information Technology	3.9
Engineering	2.9

Source: What do Graduates Do? (AGCAS, 2006)

First, it all depends on how you calculate the 'average'. Graduate earnings are skewed by the relatively high salaries paid by mostly large organisations to a relatively small proportion of the graduating cohort. Unfortunately, these are the 'averages' that tend to be reported in the national media.

Second, earnings are geographically imbalanced, with graduates in London and the South East continuing to out-earn those from other regions.

Third, average salary figures mask the pay differential that continues to exist between male and female graduates. One survey by the Equal Opportunities Commission, found that when aged 24 a female graduate in Britain currently earns 15 per cent less than her male equivalent. After 7 years, the pay gap grows to 18 per cent. And over the course of a working career it spirals to a staggering 37 per cent.

Not only do women students earn less than men, there is some evidence to suggest that they expect to earn less. The EOC found that even when studying the same subject,

women's salary expectations are lower than men's: £16,000 compared to £18,600.

Supporters of employability argue that if women students knew more about how job markets work, and had a better grasp of salary averages for different sectors, this differential would begin to fall.

Conclusion

Although much of the data on graduate employment continues to be contested, few would dispute the benefits of going to university. One study has found that several years after completing a degree graduates are happier, healthier, more prosperous and more actively engaged in their local communities. This prosperity, however, can only be sustained by employability. A degree – though essential for many careers – is not enough. Probably not even close. A new generation of graduates is about to discover that to be employed is to be at risk; to be employable is to be secure.

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