

# Higher Fees, Higher Debts:

## Unequal Graduate Transitions & Outcomes in England?



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# Comparing graduate transitions across different student finance systems







- ⦿ This qualitative study compares the views and decision-making of 37 pairs of students from two different universities (a Russell Group and a Post-1992 HEI) in central England.
- ⦿ One half of each pair graduated in 2014 (lower fees) and the other half graduated in 2015 (first generation of students to have paid £9000 per year).
- ⦿ Each pair was from the same socio-economic background, same gender and had studied the same degree subject/discipline.

# Focus of Paper

**Should we have concerns about equity in graduates' post-university transitions and outcomes in the wake of higher university fees and higher levels of student debt?**

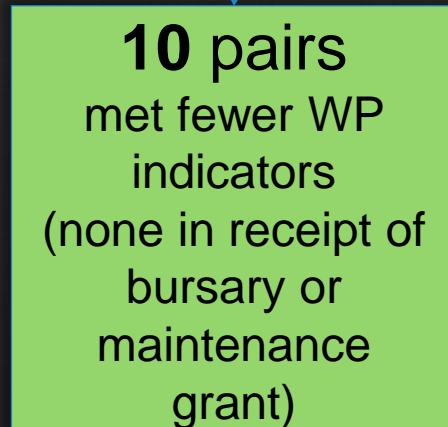
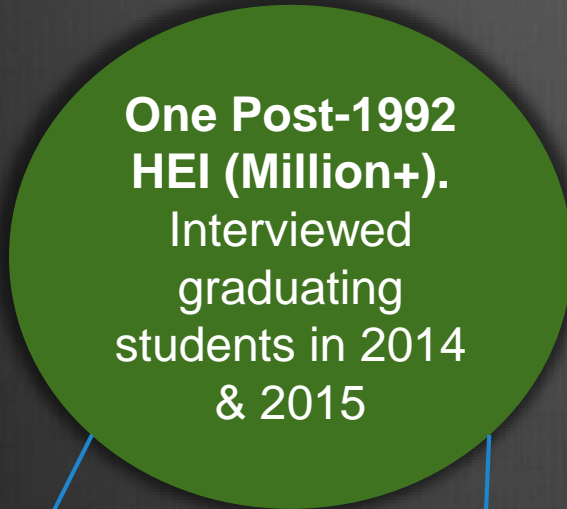
- Do some graduates appear disadvantaged under the 2012 student finance system in England?
- If so, which students and what might this disadvantage look like?

# Comparing 2014 & 2015 graduate sample. Much difference?
















	% across whole sample of graduands	
	2014	2015
Saved money whilst at university	14%	16% 
Undertook professional work experience whilst at university	41%	32% 
Graduate job anxiety	57%	59% 
Graduate job secured before graduation	16%	19% 
Seeking non-graduate job after graduation	49%	49%
Studying a postgraduate qualification after graduation	16%	16%

# Purposive sample

## 74 x final year, FT, undergraduates



# % broken down by HEI type & student SE background

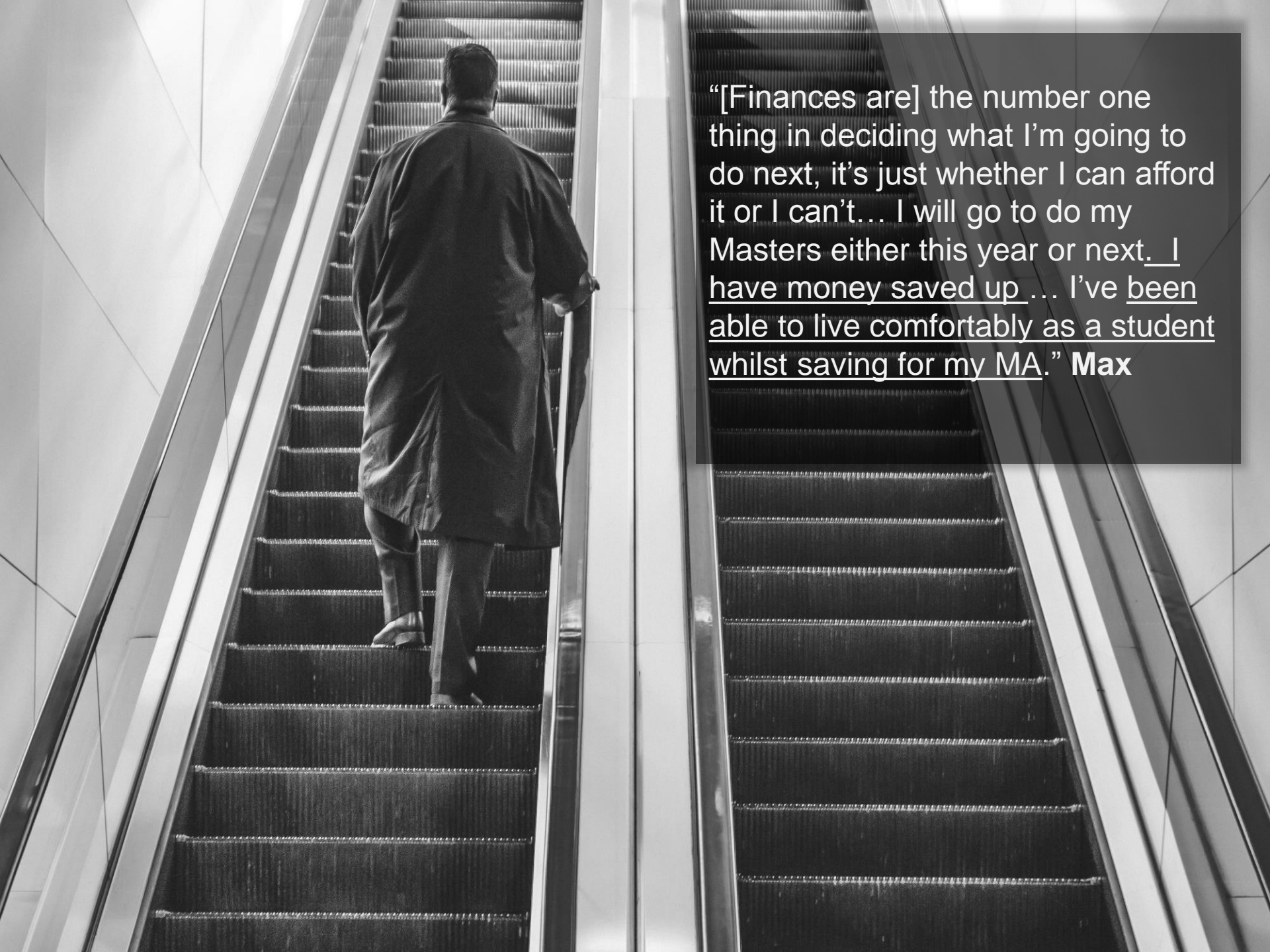
Participants by HEI type & socio-economic background		% Saved £ at uni	% Professional work experience	% Graduate job anxiety	% Seeking non-graduate job	% Got a graduate job	% PG study after graduation
Post-92 WP <i>n8</i>	2014	0	75	75	50	0	0
	2015	0	25 	75	100 	0	0
Post-92 Non-WP <i>n20</i>	2014	10	20	60	40	10	30
	2015	0 	20	80 	60 	10	10 
RG WP <i>n28</i>	2014	14	43	43	50	29	14
	2015	43 	21 	43	36 	29	29 
RG Non-WP <i>n18</i>	2014	22	44	67	56	11	11
	2015	0 	67 	56 	33 	22 	11
2014 Total		14%	41%	57%	49%	16%	16%
2015 Total		16%	32%	59%	49%	19%	16%

# Which groups “*did well*” in 2015?

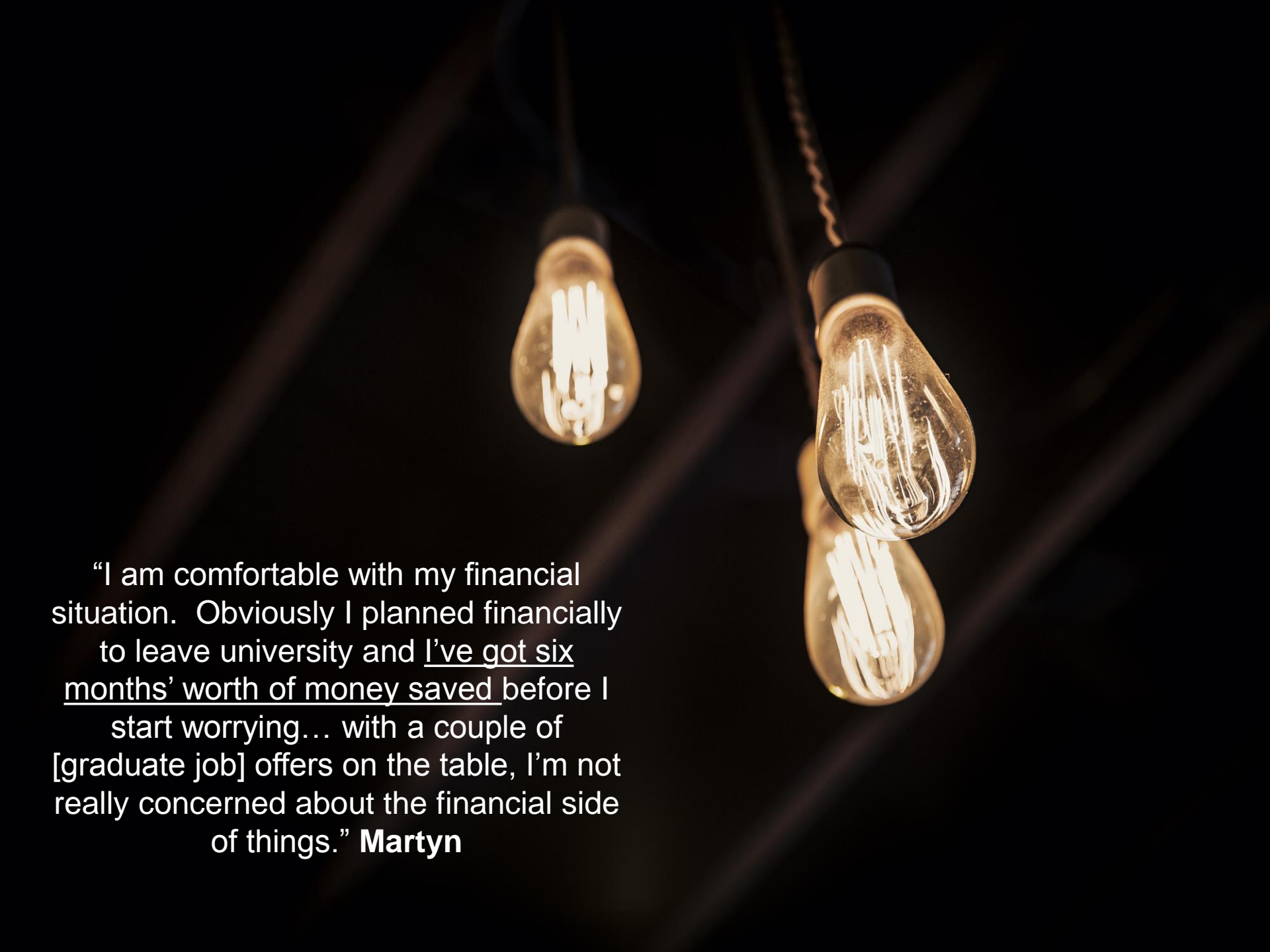
## Students from WP background at RG university

Participants by HEI type & socio-economic background		% Saved £ at uni	% Professional work experience	% Graduate job anxiety	% Got a graduate job	% Seeking non-graduate job	% PG study after graduation
RG WP n28	2014	14	43	43	29	50	14
	2015	43 	21 	43	29	36 	29 


1. More saved money whilst at university
2. Fewer were seeking non-graduate jobs prior to graduation
3. More were starting postgraduate courses straight after graduation



“[Finances are] the number one thing in deciding what I’m going to do next, it’s just whether I can afford it or I can’t... I will go to do my Masters either this year or next. I have money saved up ... I’ve been able to live comfortably as a student whilst saving for my MA.” **Max**

Three glowing incandescent light bulbs are suspended against a dark, textured background. The bulbs are arranged in a triangular pattern, with one in the upper left, one in the upper right, and one in the lower right. The light from the bulbs creates a warm, golden glow and casts soft shadows on the dark surface behind them.

“I am comfortable with my financial situation. Obviously I planned financially to leave university and I’ve got six months’ worth of money saved before I start worrying... with a couple of [graduate job] offers on the table, I’m not really concerned about the financial side of things.” **Martyn**



“Paying for my MSc isn’t a concern because I have been saving up and ... there is a new [means-tested] postgraduate bursary scheme available which I’ve applied for too ... If I didn’t [get that], then it would just mean that I fund myself.” **Rachika**


Why were more students from WP backgrounds at the Russell Group HEI able to save money whilst at university?

- Generous university bursaries and government maintenance grants (and sometimes living at home and/or having a PT job) meant that costs were covered and building up additional savings possible.
- Accruing savings important to ward off future financial uncertainty and risk. Savings become a protective factor that families are unable to provide.
- Some use savings to avoid taking on further debt.
- Savings create a transition safety net – allow time to think, reflect and not panic.
- How would others view the fact that these students were able to save money? Incentive for further

“I’ve actually got a job... I’m going to be a trainee solicitor but that doesn’t start until 2016... So I have some free time [between graduation and January]. I’m going to work at Waitrose in my home town until then.”

**Kidjana**





“The university is really helpful because I got an internship last summer with Lloyds and the university has a scheme where they provide you with funding for work experience; that could be travel or accommodation. I’ve now got a graduate job as a tax consultant with an accountancy firm in London.” **Yasir**

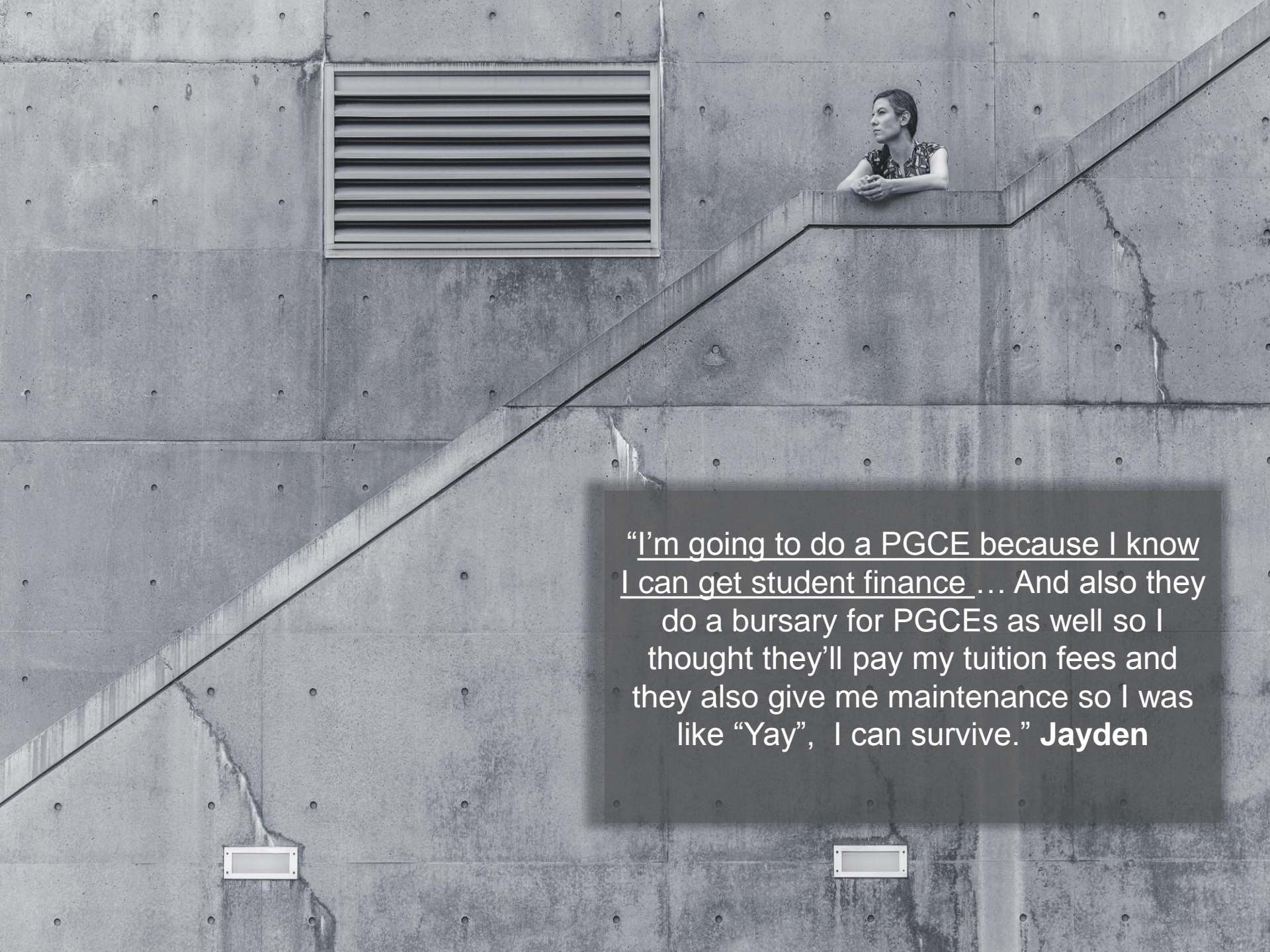
“I’ve got two different offers to think about at the moment; one is in a medical field... I worked at an NHS hostel for two years and I do Air Cadets so I’ve got a load of skills outside [of my degree].”

**Martyn**




Why were fewer WP students at the RG HEI seeking non-graduate jobs prior to graduation?

- Many had already secured graduate employment or a place on a funded postgraduate course. Experiencing more traditional, 'smoother' graduate transitions.
- They have security and certainty in knowing what they will be doing after graduation.
- University's funding scheme for internships helped Yasir achieve a graduate position. University acting in a surrogate (wealthy & well-connected) parent role?
- Martyn learned how to use extra-curricular experience and interests to appeal to graduate employers. Developed cultural and social capital to use in graduate employment market.
- Leads to good outcomes for individuals but perpetuates wider social stratification?



"I'm going to do a PGCE because I know I can get student finance ... And also they do a bursary for PGCEs as well so I thought they'll pay my tuition fees and they also give me maintenance so I was like "Yay", I can survive." **Jayden**

A young woman with dark hair in a braid is standing on a train platform. She is wearing a white knit sweater with a large grey cat face graphic and horizontal stripes. She is carrying a purple tote bag over her shoulder. The background is a blurred train platform with tracks and lights.

“I want to get accepted on a Masters course given that I get funding for it. ... hopefully when I do a Masters course I’ll be more, definitely more sure of what I want to do [in the future].” **Sangita**

Why were more WP students at the RG HEI starting postgraduate courses straight after graduation?

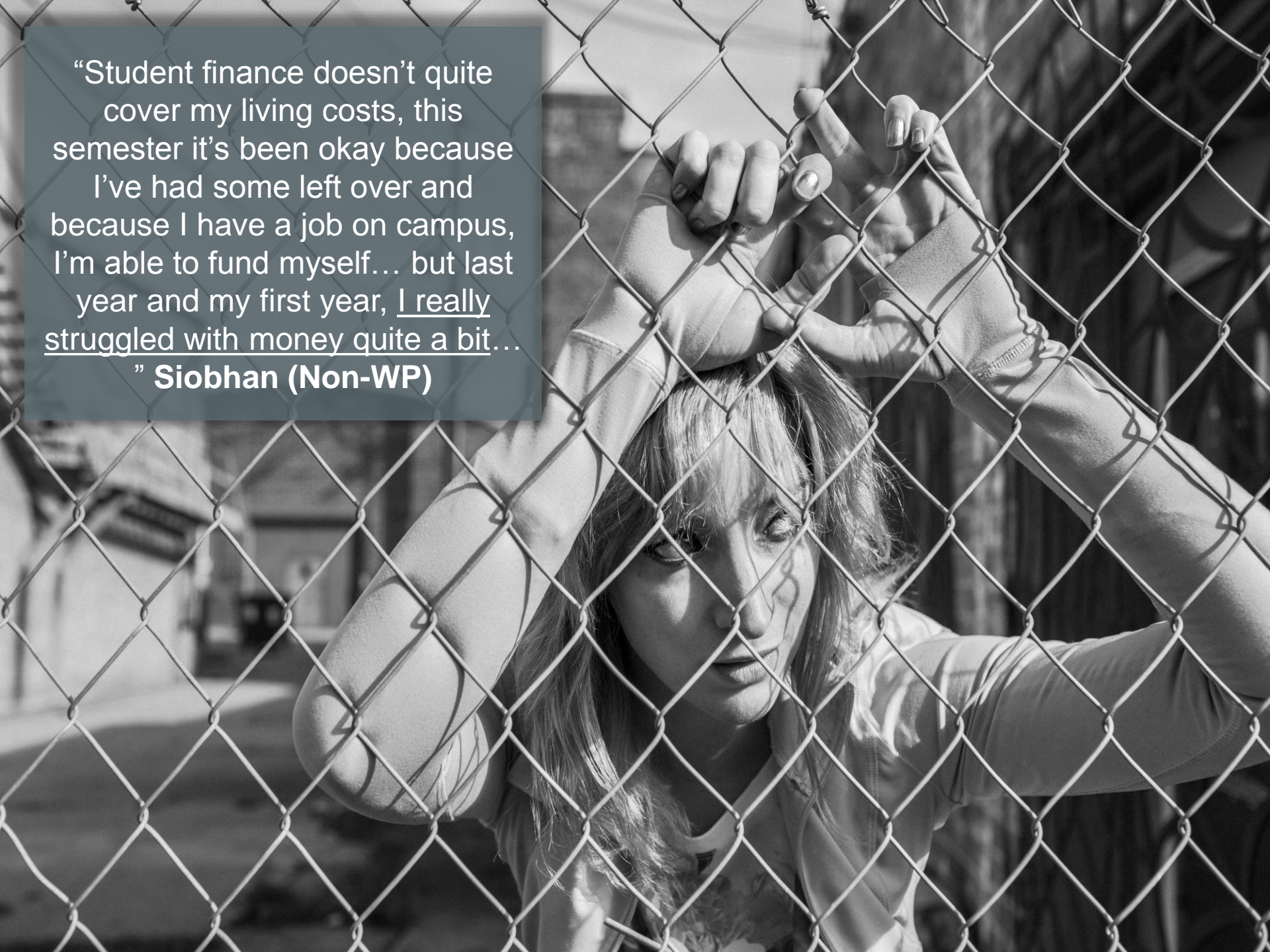
- The availability of funding for PG scholarships/bursaries significant for these students' decision-making
- Accessing non-debt based finance driving the decision to study a PG course, over an interest in the subject/career path.
- The funding allows the students to experience 'drift' with less risk. Drift doesn't mean lazy. Allows a slower pace of transition.

# Which groups '*struggled*' in 2015?

## Students from *both* backgrounds at Post-92 HEI

Participants by HEI type & socio-economic background		% Saved £ at uni	% Professional work experience	% Graduate job anxiety	% Got a graduate job	% Seeking non-graduate job	% PG study after graduation
Post-92 WP n8	2014	0	75	75	0	50	0
	2015	0	25 	75	0	100 	0
Post-92 Non-WP n20	2014	10	20	60	10	40	30
	2015	0 	20	80 	10	60 	10 

1. Why were none able to save money?
2. What contributed to high levels of anxiety about gaining graduate employment?
3. Why so many seeking non-graduate jobs?



“Student finance doesn’t quite cover my living costs, this semester it’s been okay because I’ve had some left over and because I have a job on campus, I’m able to fund myself... but last year and my first year, I really struggled with money quite a bit...

” **Siobhan (Non-WP)**



“I’ve always had money concerns. I do have a lot of money concerns and I’m not particularly great at saving. I have been meaning to put a little bit of my student loan away each time for that period where I don’t have a job and I’m not in uni and so far I have saved none of it.”

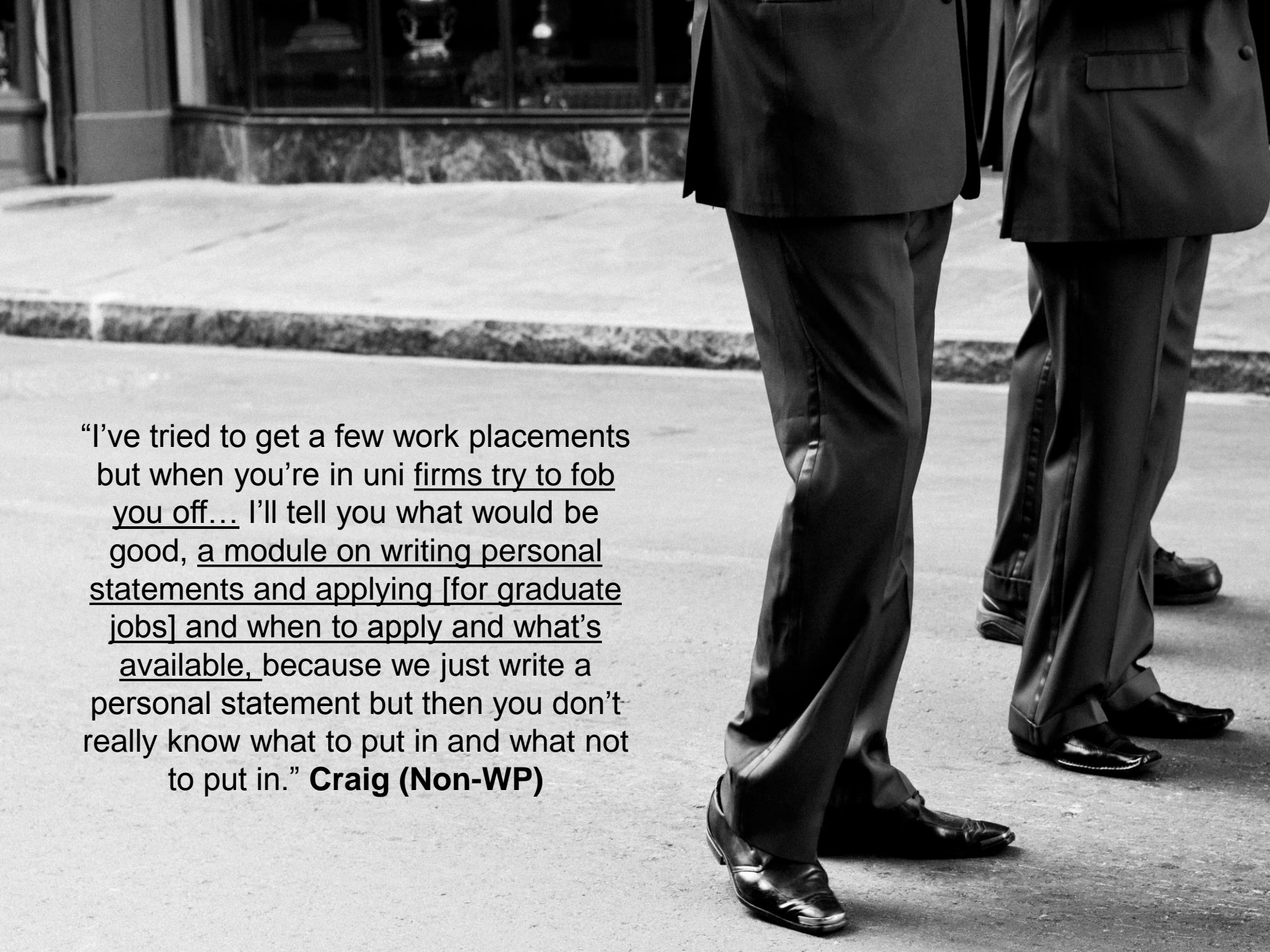
**Jamie (Non-WP)**

“During university I struggled financially because I’d not applied for the [maintenance] loan because of my religious reasons... So I just had a small maintenance grant but because I’m travelling to a different city [it’s difficult].” **Ari (WP)**

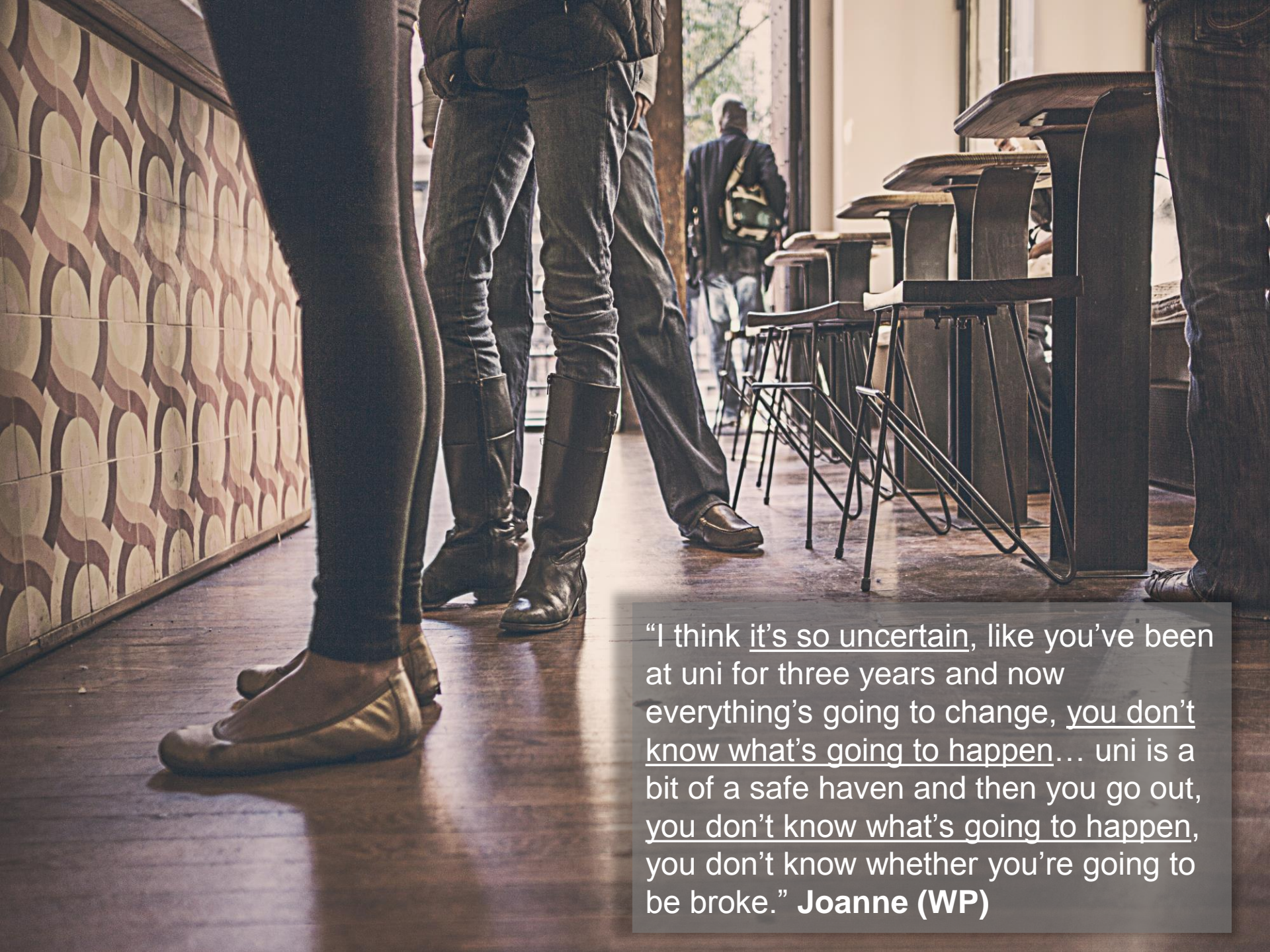


## Why were none of the Post-92 participants able to save money whilst studying?

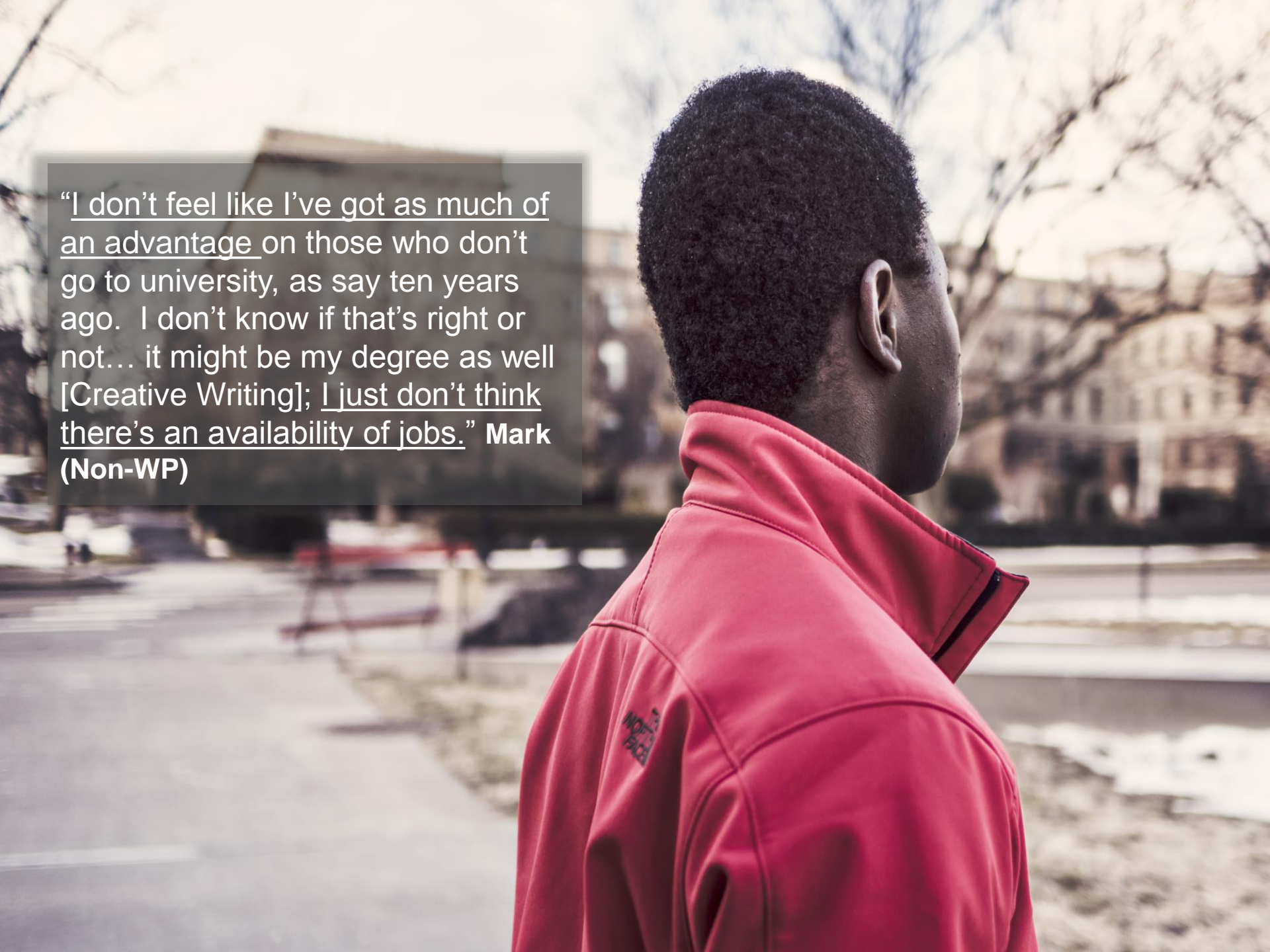
- Student finance does not cover living costs. This came as a shock to most.
- Require PT jobs to make up financial shortfall.
- For some cultural expectations meant avoiding taking on loans.
- Jamie had a plan to save money like the WP RG students, but never managed to execute this. Blames himself for not being good with money. Individualises the issue. Being a good neoliberal subject?
- The implication of not being able to build up financial reserves and not being able to ask family for financial support means an imminent lack of financial security.
- This influences graduate decision-making for these students. Their transitions cannot be slow and considered.

A black and white photograph showing the lower half of two people standing on a sidewalk. They are wearing dark business suits and polished black shoes. The person on the left is slightly ahead of the person on the right. In the background, there is a building with large windows and a stone wall.

“I’ve tried to get a few work placements but when you’re in uni firms try to fob you off... I’ll tell you what would be good, a module on writing personal statements and applying [for graduate jobs] and when to apply and what’s available, because we just write a personal statement but then you don’t really know what to put in and what not to put in.” **Craig (Non-WP)**



“I think it's so uncertain, like you've been at uni for three years and now everything's going to change, you don't know what's going to happen... uni is a bit of a safe haven and then you go out, you don't know what's going to happen, you don't know whether you're going to be broke.” **Joanne (WP)**

A young Black man with short, dark hair is shown in profile, looking towards the right. He is wearing a bright red jacket. The background is a blurred city street scene with buildings and trees. A semi-transparent grey box is overlaid on the left side of the image, containing a quote.

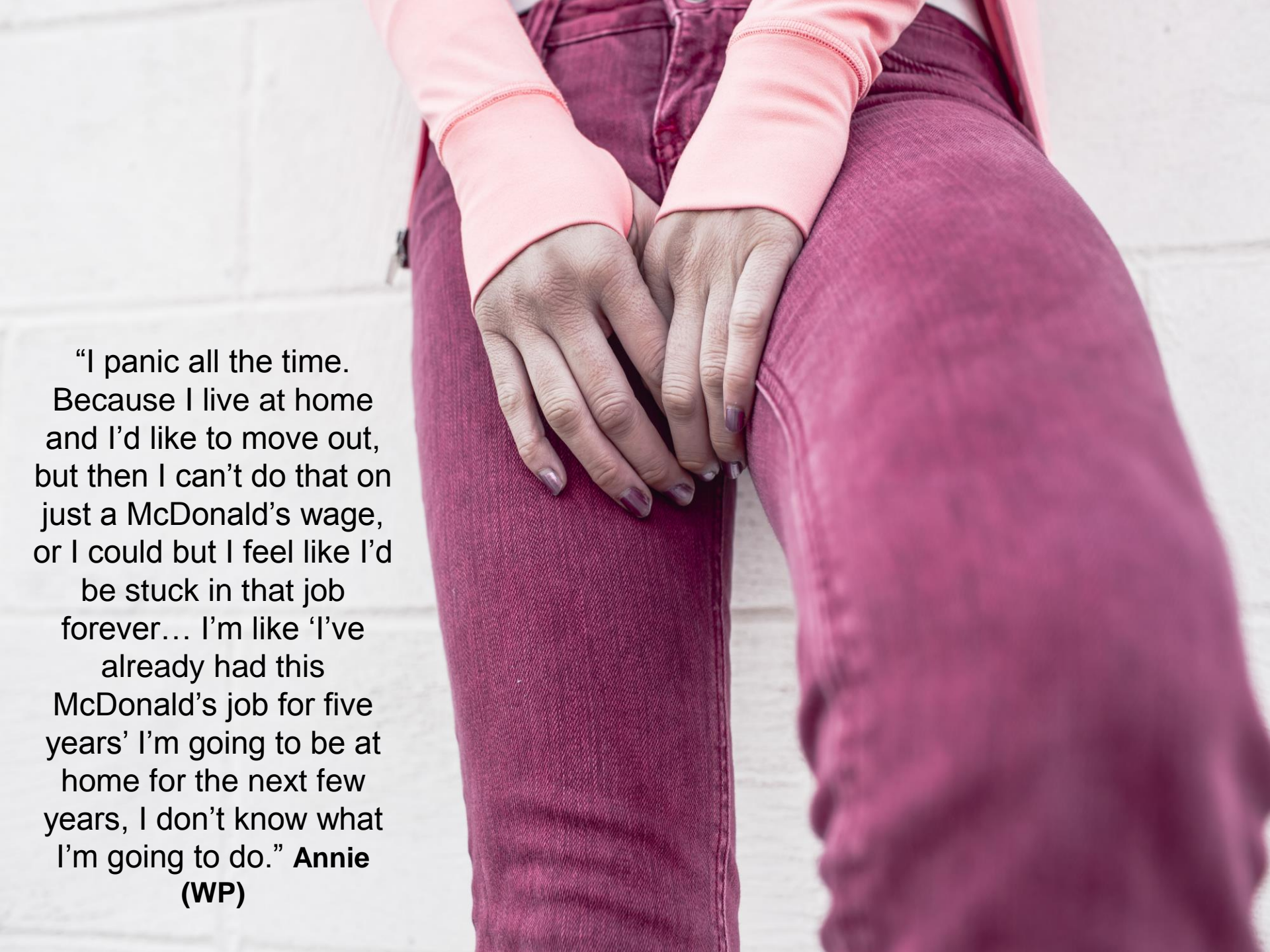
“I don’t feel like I’ve got as much of an advantage on those who don’t go to university, as say ten years ago. I don’t know if that’s right or not... it might be my degree as well [Creative Writing]; I just don’t think there’s an availability of jobs.” **Mark (Non-WP)**

What contributed to high levels of anxiety for students at the Post-92 HEI about gaining graduate employment?

- Craig knows getting a graduate job is a game. He's trying to join in by being pro-active, using his initiative, but he doesn't know the rules. He hasn't developed the required social or cultural capital. His HEI doesn't appear to have provided much support to facilitate this - Universities and employers need to take some responsibility here.
- For Joanne there is a mystique surrounding entry to the graduate employment market. This unknown quantity feels precarious and risky.
- Mark doesn't foresee a smooth graduate transition. Fears increased competition in the labour market due to massification of HE and perceived lack of employment positions – thinks his degree subject might give him 'less advantage'.

“I’m going back home because of personal circumstances, it has become the most viable option because of money. I need to keep my bank level up... the plan is to move back home to live with my parents and find my first full-time job to save up for the deposit on a house... I just need to be secure ... that’s the main consideration at the moment rather than being a freelance creative kid.” **Dan (Non-WP)**





“I panic all the time.  
Because I live at home  
and I’d like to move out,  
but then I can’t do that on  
just a McDonald’s wage,  
or I could but I feel like I’d  
be stuck in that job  
forever... I’m like ‘I’ve  
already had this  
McDonald’s job for five  
years’ I’m going to be at  
home for the next few  
years, I don’t know what  
I’m going to do.” **Annie**  
**(WP)**



“Hopefully I’ll get a job within the [web design] industry but, being realistic, that might not happen initially or it might take a while ... I’d be happy to take a job that isn’t in the industry to at least get paid, obviously. ” **Lawrence (WP)**

## Why so many students at the Post-1992 HEI seeking non-graduate jobs?

- Desire and need for immediate financial stability and security. This influences decisions to return home and apply for non-graduate jobs.
- Trade off between developing a career linked to degree (seen as risky and costly) or using a FT minimum wage job (and living with parents) to save money for a house deposit.
- Annie is aware of the potential trap of a regular wage. Her trade off is whether to move out but risk becoming reliant on McDonald's wage or forego adult independence for a few more years whilst building up savings and additional experiences.
- For Lawrence gaining regular income trumps desire for graduate employment related to degree.

# Concluding thoughts so far...

**Should we have concerns about equity in graduates' post-university transitions and outcomes in the wake of higher university fees and higher levels of student debt? **YES****

- Do some graduates appear disadvantaged under the 2012 student finance system in England? **YES**
  - What might this disadvantage look like?
    - Delayed, postponed, disrupted, individualised graduate transitions
    - Coping mechanisms adopted to offset financial uncertainty and risk
    - Contributes to further social stratification – if entering HE is not the key to equality what collective responsibilities are required?
      - How make graduate transitions less contingent?

# SRHE Project Outputs

- 🎬 <https://www.srhe.ac.uk/downloads/vigurs-katy-002.pdf>

The SRHE research report can be accessed in full here.

- 🎬 <https://www.srhe.ac.uk/downloads/vigurs-katy-003.pdf>

The research-informed comic version of the report can be accessed here.