Closing the Gap
Unlocking opportunity through higher education
About University Alliance

University Alliance brings together leading global universities for science, technology, design and the professions to tackle the big issues facing universities, people and the economy.

Our aim is to help build a strong future for UK universities by creating a constructive and positive space for debate and new ideas.
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Executive summary

The social mobility debate in the UK needs a new focus.

Higher education is a critical engine of social mobility; the expansion of the UK’s higher education sector since the late 1950s has created huge opportunities for a large number of people and supported a positive transformation of society. The added value delivered by universities, such as Alliance universities, which accept students from a diverse range of backgrounds and achieve some of the highest graduate employment rates, is a great success story. Through transforming the lives of the many, not the few, these universities are making a huge contribution to social mobility in the UK as well as the economy.

However, the debate on social mobility and higher education in the UK has been focussed elsewhere. There has been too much emphasis on access to higher education, with relatively little debate about access to employment beyond university. Furthermore, the focus on access has been very narrowly defined in relation to a small number of universities, an emphasis that fails to recognise outstanding courses that exist right across the higher education sector. Our country’s most talented students attend a much wider range of universities than they did 30 years ago. This narrow focus results in misinformation reaching whole swathes of the population. Widening participation — access to higher education — is essential but we also need to recognise that times have changed; in particular, non-cognitive or ‘employability’ skills are increasingly essential alongside good academic standards for student and graduate success. Universities and other stakeholders should now focus on employment outcomes for graduates as well as getting students into and getting through their degree.

The debate on social mobility needs to be dragged out of the 1970s to recognise the full breadth of routes to success and the huge diversity of opportunity in a global, technology-rich graduate employment market.

Social mobility is both a social and economic imperative

- Widening participation to higher education is an excellent investment for individuals and the UK Treasury. The success of the UK’s society and economy depends on widening participation to higher education — it increases productivity, wealth, innovation and opportunity.

- More jobs than ever before now require a higher education qualification whereas jobs for low skilled workers are at an all time low.

- Competition for graduate jobs has no doubt increased but even during the economic downturn, graduates have been largely protected in terms of both employment and wages. Certainly the graduate premium (the additional earnings that holding a degree brings) has held up in comparison to non-graduates.

- However, the changing shape of the labour market has altered traditional routes into and through careers. This means we need to look harder at how we create effective routes to progression for all — that is, how we help students to develop the additional attributes, including social capital, that they need to succeed at university, in the workplace and throughout their lifetime.

- Neither social mobility nor the maximisation of economic capacity and productivity will be fully realised through higher education in a system where numbers are restricted. As such we should ensure we are able to maintain a system that does not cap the number of students able to attend university (as announced by the Chancellor in the 2013 Autumn Statement).
To fully realise these benefits we need to move beyond access and include student success

- Student success is not just about getting into university but about completing the course and getting the most out of the experience.
- Government funding that supports students to stay in and succeed at university is tiny – just 2% of the total higher education budget – but it is vital to support retention and student success as students from non-traditional backgrounds tend to need more support from their university.
- Evidence shows the best retention activity is embedded in the wider curriculum and culture of the university. This relies on student-staff contact, active learning and good feedback as well as more specific interventions such as those to plug funding gaps or offer pastoral support.
- Building social and cultural capital – who you know and what you know – is key to student success.
- Universities must do everything they can to build social and cultural capital into the university experience to level the playing field. Government should support this explicitly by continuing to maintain Student Opportunity funding.

Links between employers and universities are a critical part of the social mobility agenda

- We know that there is disparity of graduate success between different groups of students. For example, success varies depending on ethnicity, gender and whether a student attended a state or private school, even controlling for subject and institution studied at. We need to look harder at why this is the case and how we can address these gaps.
- Graduate careers are changing all the time. There are growing numbers of jobs that didn’t exist just ten years ago and new industries are developing. The skills and attributes that employers require are also changing.
- Changes in technology and labour markets are moving rapidly and it is difficult for educationalists to keep up. Universities must ensure that they are engaging with businesses to provide up-to-date labour market information to students and to help students gain work experience and access to employer networks.
- Effective and joined-up careers guidance is key. Currently it is patchy at best and biased and uninformed at worst. The result is a mismatch of aspiration and labour market opportunities. For example, one third of teenagers want to do just ten highly competitive jobs, while the ten least popular jobs pay above median wage and offer good ongoing career opportunities.
- Tackling misinformation requires a joined up approach that takes account of the many different, but equally valid routes through higher education and skills development. Crucially, it is also about helping students to navigate a set of complex options that are constantly changing. Employer engagement should be a central part of this approach.
To effect real change we need to take a whole sector approach and look at where value is being added

• Despite a relatively narrow focus amongst the higher education policy community, universities are succeeding at transforming the lives of many individuals by supporting them into, through and beyond university in order to genuinely add value.

• Adding value means widening participation to students from a diverse range of backgrounds as well as achieving some of the highest graduate employment rates. Those universities that do particularly well to add value to their students and regions, often in challenging circumstances should have our full support.

• Employers know that finding the best talent is about attitude as much as it is about academic qualifications from a certain university. They are increasingly looking beyond their traditional recruitment processes (picking graduates from a handful of universities) to seek out those candidates with the most promise. This needs to be better reflected in careers information and guidance.

• While a small (and shrinking) number of traditional professions recruit from only a select group of universities there is evidence, once you control for prior attainment and family background, that attending an ‘elite’ university is not inherently ‘better’ for the student than attending any other university in terms of their future earning potential.

• It is also unhelpful to refer to the ‘Missing 3,000’: the number of straight ‘A’ A-level students that are not in a small number of elite universities. Of course these students are not ‘missing’ but are studying on highly selective, high-grade courses, among a peer group of high grade students and achieving some of the best employment rates in the country. These courses now exist across a wide range of universities and public discourse needs to catch up.

The social mobility agenda needs to expand to include currently ‘forgotten’ students – postgraduate, part-time and those wanting to up- or re-skill

• While this paper focuses primarily on young, full-time undergraduates University Alliance is acutely aware of the pressures facing other groups of students in the UK, particularly part-time, mature and postgraduate. Enrolments for these groups have fallen significantly in recent years and presents huge challenges for our country’s ability to maximise potential and address skills gaps.

• Part of this drop is a result of the funding environment. For underrepresented students, the up-front cost of studying is an important barrier that can, and should, be addressed. University Alliance is working towards a solution on this and more information can be found at http://www.unialliance.ac.uk/uni_funding

• But there are also cultural issues. For example, men and those in higher socio-economic groups are overrepresented in postgraduate degrees and there are significant disparities between students from different ethnic backgrounds.

• Better information and guidance and closer working with employers will play an important part in tackling these barriers.

• We need to value vocational and professional training, not just academic. It is a good combination of the two that will enable our economy and society to thrive.

• Apprenticeships vs. university is a false debate. We need to ensure progression within and between the two. This needs to be communicated comprehensively to all students to avoid skills mismatch and wasted potential.
Policy recommendations

In a world that is changing rapidly we need to think differently about how we support social mobility through higher education.

1. We should continue to support widening participation to higher education for all. This means ensuring universities continue to work hard to broaden their intake and that there remains no cap on university student numbers.

Neither social mobility nor the maximisation of economic capacity and productivity will be fully realised through higher education in a system where numbers are restricted.

2. We should seek to increase the Student Opportunity fund. This fund is essential if we are to ensure that high cost students succeed in higher education and beyond, not just get through the door in the first place. Any increase in this funding will have positive effects on our country’s commitment to social mobility and would be a sound investment decision in the long-term.

Non-traditional students face a range of barriers to participating and succeeding in higher education. Yet the Student Opportunity fund, just 2% of the £13bn spent on HE, student loans and the science and research budget, is the only funding stream awarded to institutions based on the genuine added cost of recruiting and retaining these high cost students.

3. Universities should do everything they can to engage with a diverse range of employers, to strengthen links between education and the needs of the economy and to offer the best opportunities to their students and graduates, whatever background they may come from.

To ensure the best graduate outcomes students need up-to-date information and experience of labour market opportunities, particularly as it relates to different local labour markets.
4 We need to boost the National Careers Service by ensuring it is well resourced to work in partnership with HEIs, schools and employers. Effective careers Information, Advice and Guidance (IAG) requires a joined up approach, which can keep pace with labour market developments and new career and learning opportunities.

Misinformation about future opportunities results in skills mismatches and in students failing to achieve their potential. And misinformation particularly affects students from less well-off backgrounds. While there is a wealth of information already out there, students continue to lack meaningful signposting to help them navigate such complex and high volumes of information.

5 We recommend introducing a lifetime loan allocation to support re-training and re-skilling in line with international best practice. We recommend that this is an income-contingent loan that is repaid after graduation and that low earners are protected but that the cohort as a whole repay in full. In other words, this is a non-subsidised loan system.

We need to ensure loan access for all students in higher education to remove the barrier of upfront costs. This is particularly needed for postgraduate and ELQ students. An income-contingent lifetime loan allocation will maximise efficiency, allowing loan access to every student whilst not diverting government funding or requiring supply constraints to be put in place in this part of the system.
What is social mobility?

The term ‘social mobility’ is often misunderstood and we need to consider its different aspects. For example, are we talking about those moving between different social classes or broadening opportunities for large numbers of people? The first is fraught with challenge – since for some to move up, others may need to move down the social ladder. The second is less problematic than we might think. However, political discourse is actually littered with stories that demonstrate the great leaps individuals have been able to make. For example, Alan Milburn, the Government’s social mobility tsar, has stated, ‘As a child from a council estate I was lucky enough to end up in the Cabinet. I was born at the right time. In mid-20th-century Britain social mobility was in full swing.’

There is evidence to suggest that the generation born between 1945 and the 1970s had greater opportunities to move, en masse, beyond the socio-economic status of their parents’ generation as a result of structural changes in the economy and ‘increasing room at the top’, during a time when professional and managerial occupations were increasing in number. The post-war period offered significant mobility for all of society during a time of prosperity, as living standards rose right across the board.

This period also saw an increase in transformational opportunities for some individuals. However, while opportunities in higher education and in jobs that required a higher education degree were expanding, they were still restricted within a smaller higher education system – just 2% of the population participated in higher education in 1945, rising to 8% in 1966. If you could gain a higher education degree you were on your way to securing good employment and relative social status, in some cases far above that of your parents. But participation for working class students in higher education remained very low compared to those from more affluent backgrounds – in 1977 participation was around 30% for those in the top three social class categories and just 6% for the bottom three social classes. So despite some breakthrough stories, a significant proportion of the population was effectively locked out of the opportunities that gaining a degree could offer.

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2 Goldthorpe, J. H. (2012) Understanding – and Misunderstanding – Social Mobility in Britain: The Entry of the Economists, the Confusion of Politicians and the Limits of Educational Policy, Department of Social Policy and Intervention: University of Oxford University
4 Ibid, p54
Social mobility through higher education

The focus of higher education social mobility policy has been preoccupied with transformational opportunities for the few, not the many. Indeed, social mobility through higher education has tended to focus on access to higher education and within that, access to a small number of ‘elite’ institutions. At the narrowest definition this constitutes just 13 universities in the UK which take only 12% of full-time and 4% of part-time undergraduate students every year, necessarily impacting very small numbers of people within our population as a whole. These small number of universities were established between the 12th century and the early 1900s and this list does not include the vast majority of universities established during the 20th century when we saw a transformation of society in employment and technology and in class status.

Arguments around access to ‘elite’ universities are important but not enough to help non-traditional students realise their aspirations and opportunities. Once family background and prior attainment are accounted for there is no evidence that ‘elite’ institutions provide better opportunities for social mobility than other universities. Years of focusing on the elite have not changed the intake of non-traditional students to these institutions, and even if we were to see this group radically change its intake of students this would not address gaps in progression and success between different groups of students, because they only take 20% of all students each year. In addition, allowing people to move up in the world has always relied on holding or acquiring non-cognitive attributes like communication skills, confidence and resilience, as well as academic credentials. These skills, and the barriers to developing them, have been consistently underestimated in policy debates about social mobility in general and higher education in particular.

The focus of this paper is therefore on how we can overcome the disadvantages that make people from lower socio-economic groups less likely to progress on the career ladder than those from more advantaged backgrounds. Our focus is on the many, not the few. And our contention is that a focus on increasing the numbers going into higher education – whether straight after school or later in life – will transform the wealth and prosperity of the country for all.

We make these arguments through looking at the economic and social imperatives for widening participation, tackling some of the myths that exist around social mobility and higher education and looking at where universities are really adding value and supporting students into successful careers. This change in approach is essential if the UK is to support its citizens to be socially mobile, collectively and individually.

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5 HESA Student, HE Student numbers 12/13, Full Person Equivalent
6 BIS (2013a) The Impact of University Degrees on the Lifecycle of Earnings: Some further analysis, BIS Research Paper No. 112
The wider economic and social benefits of having a strong supply of graduates are considerable. But a focus on social mobility is not just about social equity. In a globally competitive market place it is increasingly important to ensure that all citizens have the chance to make a contribution to economic and social life.

Higher education is an excellent investment

There is a wealth of evidence that demonstrates just how good an investment widening participation to higher education is, both for individuals and for governments. Critically, it enables countries to maximise their human capital and realise their economic potential.

For a start, graduates earn more: across the world graduates are paid 70-180% more, on average, than people with no formal educational qualifications. In the UK, the graduate wage premium is at the top end of this scale – at about 160% compared to those without formal educational qualifications. Graduates are more productive in the labour market, with the increase in the number of people holding a higher education qualification expected to increase productivity in the UK by 11-28% over the long-term.\(^7\) And students themselves bring additional economic benefits, injecting £80 billion of spending into the UK economy and supporting 830,000 jobs.\(^8\)

Higher education is important for driving economic growth and development. Universities in the UK generated £73 billion in output in 2011-12 and created over 750,000 jobs.\(^9\) Higher education, as an industry, is now bigger than aircraft, agriculture or pharmaceuticals, with exports expected to grow to £17 billion by 2025.\(^10\) More than two thirds of GDP growth in EU21 countries has been driven by income growth among people educated to tertiary level.\(^11\) Bournemouth University alone contributes more than £1m per day to the levels of economic activity in the South West while the National Union of Students (NUS) estimates that the UK government recoups £3.22 for every £1 it spends on higher education.\(^12\)

There are also well-documented social benefits. Gaining a higher education qualification improves your likelihood of securing employment and reduces your chances of being unemployed. And graduates tend to have greater job satisfaction and be happier and healthier, therefore making fewer demands on state resources like the NHS and the police.\(^13\)

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8 The Independent (2013) Students worth ‘£82 bn’ to UK economy; NEF (2013) Student contributions to the UK economy
13 OECD (2012)
So are we maximising our potential?

Diagram showing number of students obtaining first degrees in the UK over time

Since the benefits are well evidenced, it is no surprise that politicians from across the political spectrum have declared social mobility as an economic and political priority:

“Social mobility is not just a moral imperative, but an economic one.”

Nick Clegg, Deputy Prime Minister

“Improving social mobility is at the centre of the Government’s social policy. Matching young people’s aspiration to go into higher education is key to delivering social mobility, transforming lives, and securing our nation’s future.”

David Willetts, Minister for Universities

Yet despite widespread recognition of the benefits and increasing numbers of people undertaking higher study, access to higher education continues to be skewed according to socio-economic status.

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14 Bolton, P. (2012) All students obtaining university degrees in the UK, Education: Historical statistics - Commons Library Standard Note
15 Deputy Prime Minister’s speech on social mobility to the Sutton Trust, 22 May 2012
16 David Willetts’ comments on Alan Milburn’s report ‘University Challenge: How HE can advance social mobility’, 18 October 2012
In England, close to 65% of students from upper socio-economic groups participate in higher education. Whereas for lower socio-economic groups this figure falls to less than 20%.17 This is a pattern repeated around the world, from the United States and Australia, to Mexico, to France, and to sub-Saharan Africa.18 This is both socially unjust and economically inefficient since evidence suggests state school pupils outperform their privately- or grammar-educated peers once they get to university,19 showing little correlation between ability and socio-economic status. Excluding these students leaves talent going to waste.

Given these facts, there began in England, a concerted drive in the latter half of the 20th century to ensure fair access to university. In recognition that individuals outside of society’s elite might have the aspiration and ability to attend higher education and succeed there, the 1963 Robbins Report recommended dramatically increasing the number of people going through higher education. This aim was taken further when, in 1992, more than 30 higher-level education providers were given university status and the number of universities has continued to increase since then. The approach to widening participation has intensified in recent years with the UK government setting up the Office for Fair Access (OFFA) and publishing the National Strategy for Access and Student Success,20 which takes a lifecycle approach to social mobility and higher education. These have been important steps, which have made a difference, with an increasing number of students from lower socio-economic groups entering (English) universities.21

The changing shape of the labour market and the backlash against widening participation

Yet alongside this progress we have witnessed a growing backlash. Labour’s target to get 50% of young people into university was scrapped, with criticism of this agenda from a wide range of stakeholders both within and outside the higher education sector. The argument goes that increasing the numbers in higher education has reduced the value of a degree and prioritised quantity over quality.22

Contrary to much public commentary, however, the widening participation agenda has not had the impact of flooding the UK with more graduates than it can cope with. The evidence suggests that in the UK, as in other advanced economies, we are witnessing a ‘hollowing out’ of the labour market – whereby middle-income jobs are contracting and jobs at the bottom and top of the labour market are expanding. Much of this change is as a result of developments in technology – which have led to many routine tasks usually in the middle of the earnings distribution being moved online. You just need to look at the proliferation of self-service check out machines in virtually every supermarket for evidence of how technology is squeezing some occupations.

17 Milburn, A. (2012) p12
19 HEFCE (2014) Differences in degree outcomes: key findings
20 BIS (2014) National strategy for access and student success
Alongside this, more jobs than ever before now require a higher education qualification. Managerial, professional, associate professional and technical occupations already make up nearly half of all jobs in the UK, but they also accounted for three quarters of employment growth between 2000 and 2010. Competition for graduate jobs has increased but graduate earnings have kept pace with the increasing number of graduates, suggesting there is not an oversupply in the market place.

In 2012-13 only one in seven (15%) firms cut back, while 85% increased or maintained their graduate recruitment levels.

Graduates were also more resilient in the face of the 2008 recession, facing significantly fewer job losses than those who left school without qualifications. Even where graduate earnings have fallen or remained stagnant, those with lower qualifications have fallen further: more than 50% of the fastest declining jobs are in low-skilled occupations (level 2 GCSE A*-C and equivalent or below) and the number of jobs for non-graduates is at an all time low.

These facts may not be enough to compensate for the uncertainty many families now feel in facing increased competition for university places and graduate jobs. But widening participation in an hourglass shaped economy is essential. We need to create effective progression routes – to ensure we can meet current and future skills demand and maximise individual potential, making sure those with the necessary aspiration and ability do not get trapped at the bottom of the labour market.

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25 OECD (2011)
26 Hackett et al (2012)
There is also growing evidence that employers value a diverse workforce because it allows their business to think differently and maximise new opportunities, avoiding groupthink and ideas stagnation. For example, Julie Mercer, a Partner at Deloitte, says:

“at Deloitte we value the importance of nurturing and encouraging a diverse workforce that will reflect our clients’ needs. Teams that reflect society are better able to support our clients, understand their perspective and develop solutions that will exceed their expectations. We believe this makes good business sense for our clients and for our people and that makes Deloitte a great place to work.”

Widening participation, by definition, means increasing student numbers. It is therefore welcome that the current UK government has committed to remove the cap on student numbers in 2015. This is the single most important measure, above fees and bursaries, that will affect social mobility through higher education, and a landmark step for the UK. You cannot increase social mobility through higher education while restricting student numbers. Those in lower social groups will always be negatively affected in a system where places are limited, given the high correlation between social background and attainment.

You cannot increase social mobility through higher education while restricting student numbers.

Moving beyond access

As we have seen, there are significant social and economic benefits to widening participation and great strides have been made to improve access to higher education. However, realising the benefits documented above relies on students completing their degree and going on to secure meaningful employment.

This point has been largely ignored when talking about social mobility in higher education. Proponents of the focus on ‘access’ argue that fair access to a small number of ‘elite’ institutions is essential because this is where the opportunities are greatest and the problem most acute. Few would deny that Oxbridge has failed to make great strides in its access targets: it continues to have the lowest state school intake in England despite considerable resources ploughed into this activity from both within government and outside.

But the issue of whether these institutions offer the ‘best’ opportunities is a thorny one. Oxford and

28 Interview, 18th March 2014
29 Times Higher Education (THE) (2013) Russell Group continues to fall short on access benchmarks
Cambridge are brilliant universities that offer very many opportunities for students and economic gains for the UK. They also happen to be incredibly well-resourced compared to other universities and the profile of students at Oxbridge is already overwhelmingly ‘elite’ — both in terms of social background and prior academic attainment. This raises questions about the added value these institutions provide, and their ability to ‘unlock potential’, relative to other universities. Grades at entry do not take account of family background, the student’s starting point or the circumstances through which that student came to gain certain grades. There is no difference in immediate graduate outcomes for students at different types of universities and the data that suggests a link between an Oxbridge degree and higher lifetime earnings is shown to be statistically insignificant once you account for family background and prior attainment. The definition of ‘best’ opportunities in much of the press and public discourse also fails to take account of the fact that higher earnings are not always the best measure of graduate success, when other issues come into play like job satisfaction and work-life balance.

These facts support the argument that a focus on just 3000 students – the Sutton Trust’s ‘missing’ 3000 students who get top grades at A-level but do not go on to study at an ‘elite’ university – is misplaced. These students are not ‘missing’ from higher education, quite the contrary; they are predominantly studying on outstanding courses with high entry requirements that exist outside a small list of ‘elite’ institutions. These ‘missing’ students are on some of the best courses with the highest graduate earnings. This language seems particularly misguided when you compare these 3,000 students ‘missing’ from ‘elite’ universities to the 60,000 students who, at some point, are academically ranked at the top of their class but who do not go on to university at all.

While fair access is essential if higher education is to promote social mobility, it is not in itself sufficient. As we will see in the next chapter, a focus on access to higher education has only gone part of the way to supporting social mobility. This focus has tended to ignore the barriers that may exist to students succeeding in higher education and beyond, ultimately disadvantaging non-traditional students and the universities that support them.

We should continue to support widening participation to higher education for all. This means ensuring universities continue to work hard to broaden their intake and that there remains no cap on university student numbers.

Neither social mobility nor the maximisation of economic capacity and productivity will be fully realised through higher education in a system where numbers are restricted.

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31 BIS (2013a)
32 Chester, J. and Bekhradnia, B. (2009)
Chapter 2: Student success - why is it important and how can we ensure it is achieved?

Student success at university is about getting on, not just getting in. Whilst there will of course always be individual exceptions, the vast majority of students who fail to complete their higher education studies are likely to have fewer opportunities in the labour market and lower lifetime earnings (meaning reduced tax receipts for the UK Treasury). Society also loses out on graduates who tend to be more civically engaged, happier and healthier. We need to look at how universities add value to students in the transition to university and whilst there, if we are to make sure students can achieve their potential.

Why retention?

A commitment to increasing social mobility through higher education means a commitment to ensuring that students stay on and succeed once they get there. Success, however, is unfortunately by no means a foregone conclusion.

Research shows that ensuring retention is highly complex and requires additional resource. Yet HEFCE allocates just £224m to retention activity each year (around 1.7% of £13bn spent on HE, student loans and the science and research budget). This money – a part of HEFCE’s Student Opportunity Fund which supports students to get in and succeed at university – is the only funding stream awarded to institutions based on the genuine added cost of recruiting and retaining widening participation students (an average 31% premium cost identified in an independent report for HEFCE).

Students from non-traditional backgrounds tend to need more support from their university. Non-traditional students, or ‘widening participation students’, face a range of barriers to participating and succeeding in higher education, including personal, academic and financial. For example, these students often live at home because they want to save money or because they have additional responsibilities such as caring for a family member. This funding is essential to ensure that students stay on and succeed at university. Public investment via loan subsidies is not sufficiently targeted to support these students to reach their potential through a full university experience. The additional investment needed is relatively small but critical to ensure that work in this area is about more than getting non-traditional students in.

35 HEFCE (2004) The costs of widening participation in higher education, A report to HEFCE, UUK and SCOP by JM Consulting
36 NAO (2007) Staying the course: The retention of students in higher education
Challenges and what works

It is important to recognise that retention activity is necessarily embedded into the wider curriculum and student experience, and therefore is difficult to measure. There are good reasons why an embedded approach makes sense, since retention relies on making the higher education experience inclusive and relevant to students from all walks of life.

A series of projects by the Higher Education Academy (HEA) found that belonging and engagement are essential to retention and success in higher education. The study identified lack of academic preparedness, feelings of isolation and/or not fitting in, and worries about being able to achieve future aspirations as the main reasons why students consider dropping out of university.\textsuperscript{37}

Importantly, the research also found that the most effective retention activity is mainstreamed across the institution and has considerable buy in from senior management and staff. It is this approach that ensures that all students can benefit from the activity while making sure that those at risk of dropping out, who may not be easily identifiable, are also captured. In particular it recommends tackling issues of retention by building the following into provision right across the different functions of the university:

- Student-staff contact
- Active learning
- Prompt feedback
- Time on task
- High expectations
- Respect for diverse learning styles
- Co-operation among students\textsuperscript{38}

Prioritising student success

Successful approaches to retention therefore focus on academic preparedness but also pastoral support and relevance of the curriculum to students who have a vast range of different experiences to draw on. They start early – before students begin their first term – and they help to ‘develop peer networks and friendships, create links with academic members of staff, provide key information, shape realistic expectations, improve academic skills, develop students’ confidence, demonstrate future relevance and nurture belonging.’\textsuperscript{39} Government funding for retention activity is also important because it has been shown to incentivise universities to be more explicit about their focus on widening participation and ensuring student success.\textsuperscript{40}

\textsuperscript{39} Thomas, L. (2012) p15
\textsuperscript{40} Bowes, L., Jones, S., Thomas, L., Moreton, R., Birkin, G. and Nathwani, T. (2013) The Uses and Impact of HEFCE Funding for Widening Participation Report to HEFCE by CFE and Edge Hill University
The most successful institutions at recruiting widening participation students, and ensuring their success, use this small amount of state funding (along with considerable resources allocated from the university directly) to embed retention programmes in the core activity of the university. This money is spent on developing effective pedagogic techniques, academic and pastoral support and other career development.41

For example:

- **The University of Bradford** has created an institutional framework to provide individualised support to students and to support them through key transition points, thus enhancing the student experience, strengthening staff engagement and creating a culture in which staff will embrace the concept of students as partners in order to maximise student success.

- **Plymouth University** has set up the Plymouth Learner Access Network (PLAN), a social networking site to support the transition of new students; a Peer Assisted Learning Scheme; an employer mentoring scheme; and an alumni mentoring scheme, among other schemes to instil social capital in students.

- **Portsmouth University** has introduced Technology Enhanced Learning, which involves using a website and social networking groups to help students familiarise themselves with learning at a higher education level and link up with other students before beginning their study.

- **Sheffield Hallam University**’s approach to retention benefits 75% of its student community and includes services to support students with disabilities as well as projects that develop inclusive teaching practice: materials and pedagogic activities that ensure that teaching and learning is fully accessible to all students, whatever their background or prior experience.

Unsurprisingly, then, despite taking a large proportion of their student population from lower socio-economic groups (30-50% of all students) Alliance universities have excellent retention records, with the vast majority meeting or exceeding retention benchmarks, some by a long way. For example, Portsmouth University’s non-continuation rate is 5% compared to a benchmark of 6.6%. University Alliance is the only group of UK universities that perform above the benchmarks for both intake measures (percentage of state school, lower socio-economic groups and POLAR data) and output measures (completion rates). This clearly demonstrates the added value and excellent experience that is available to students beyond a small number of traditional universities.

The importance of social and cultural capital

The charity upReach has identified four categories of non-academic capabilities that contribute to graduate success: knowledge – knowing what your options are and how to achieve them; soft skills – communication, team working, networks; personal and professional connections – to provide advice, information and support; and professional experience – some form of work experience. What they are basically describing is social and cultural capital, a complex set of attributes, and what Gregory Clark, Economics Professor at University of California, Davis, has described as ‘mysterious social competence’. As educationalists and policy makers we must be aware of these things, which play a major part in driving social mobility.

Cultural capital can broadly be defined as ‘what you know’ – in the broadest sense, not just your academic ability or knowledge of facts but your knowledge of how what you know fits with the rest of the world. We know this is important; we see it all the time where certain groups of people are over-represented in particular organisations. People tend to recruit those that are ‘like them’, that fit a certain social and cultural norm that they can identify with, alongside requiring the appropriate academic credentials. We also know that cultural capital affects how students and parents make choices about higher education. Students from different walks of life may have different preferences for the type of environment in which they want to study. It is important to be aware of this, from a social mobility perspective, if organisations and policy makers are promoting, and employers are choosing to recruit from, only a small number of universities.

Social capital can broadly be defined as ‘who you know’, the networks you are able to access and draw on for support, information and advice, or a foot through the door. These networks are essential in helping people to move up in the world. Evidence shows that strong and positive social networks can support educational development but where these networks are weak it is harder for younger generations to access future opportunities.

We need to recognise that learning does not only happen inside the seminar room, and that it is the mixture of knowledge that we build up over time – through interacting with views different to our own, through being in places we are unfamiliar with, and through dealing with unfamiliar situations – that gives individuals the tools to achieve graduate success. These are things that universities can help to instil and develop in students and graduates.

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42 http://www.upreach.org.uk
43 Clark, G. The Truth About Social Mobility, RSA lecture 7th March 2014
Alliance universities have a strong reputation in this area:

For example:

- **Coventry University** has more than 12,000 undergraduates taking accredited ‘Add+vantage’ modules each year. The extensive range of modules helps students to gain work-related knowledge, develop skills, competencies, professional qualifications and experience, and stand out in the graduate marketplace when applying for job or placement opportunities.

- **Kingston University** encourages employers to sign up to recruit student brand ambassadors (because students tend not to consider applying to organisations without a brand presence on campus, assuming they will not be considered). The employer pays nothing towards the programme but must commit to giving the student a reference at the end. The university actively chooses students who lack social capital and employability skills and pays them out of university funds. Through this project the university is able to develop students’ confidence and skills to enable them to secure good employment and Ambassadors have already gone on to work for big companies like Black Rock and HP.

- **Liverpool John Moores University**’s World of Work Programme (WoW) ensures students are building the skills employers want and creates employer links for students who might not otherwise be able to access them. Over 7,000 students are currently completing different stages of the WoW certificate with 275 employer guest speakers making a curriculum contribution in 2012/13.

- The **University of the West of England** co-funds internships and work experience placements to ensure that financial constraints do not deter students with potential. The university also offers a bespoke programme to encourage diverse recruits into Social Work and an outreach programme supporting progression to STEM related careers for students from non-conventional backgrounds.

**Recommendation**

We should seek to increase the Student Opportunity fund. This fund is essential if we are to ensure that high cost students succeed in higher education and beyond, not just get through the door in the first place. Any increase in this funding will have positive effects on our country’s commitment to social mobility and would be a sound investment decision in the long-term.

Non-traditional students face a range of barriers to participating and succeeding in higher education. Yet the Student Opportunity fund, just 2% of the £13bn spent on HE, student loans and the science and research budget, is the only funding stream awarded to institutions based on the genuine added cost of recruiting and retaining these high cost students.
Of course staying in higher education is only the beginning. To support social mobility we also need to ensure that students can gain meaningful employment after they graduate. But what meaningful employment looks like is changing all the time. And IAG is not keeping pace with the development of modern careers, growing sectors of the economy and the increasing importance of social capital to graduate success.

**Disparity of success**

We know that for some students graduating with a good degree is not enough to ensure they can realise their aspirations. For students from non-traditional backgrounds there continue to exist significant barriers to graduate success:

- Graduates with parents in partly skilled occupations are 30% more likely than others to have a non-graduate job 18 months after graduation; and for graduates with parents who are unemployed this increases to 80%.
- Six months after leaving UK higher education in 2000, 94% of white students had obtained ‘successful’ graduate outcomes – success being defined as either entering employment or further study. These were closely followed by the Indian, Black Caribbean and Black Other groups, with the Black African group having the lowest success rate.
- Ethnic minority graduates faced greater difficulties in gaining a first job, often waiting longer to obtain graduate level positions.
- Of the ethnic minority groups, Asian graduates have been the most likely to be in professional or managerial positions, although these positive employment outcomes have not been matched by higher salaries or greater job satisfaction.\(^{46}\)

There continues to be wage disparity between male and female graduates, even those undertaking the same course at the same university and with the same degree classification: the typical starting salary for women ranges from £15–23,999 whereas men are much more likely to earn, on average, £24,000 and above.\(^{47}\)

And between state, and privately, schooled graduates: state school pupils achieving a 2.1 or above at university start on an average wage of £2,590 per year less than their privately educated peers. This figure increases to £3,018 per year for students achieving a First Class degree.\(^{48}\)

\(^{46}\) Stuart, M. (2012) p15-16
\(^{47}\) Higher Education Careers Service Unit (HECSU) (2013) GMT Futuretrack Special Winter 2013, p16
\(^{48}\) upReach (2012) p6
Modern careers and changing opportunities

“There is no question that state-of-the-art skills in particular disciplines will always remain important. However, educational success is no longer about reproducing content knowledge, but about extrapolating from what we know and applying that knowledge to novel situations.”

Andreas Schleicher, OECD

The types of employment that graduates will be accessing are changing all the time. The creative industries, for example, were only officially recognised as an economic priority in the late 1990s. They are now the UK’s fastest growing sector of the economy, worth £71.4bn a year and making up 5.6% of the workforce, with the industry growing by an average of 5% per annum between 1997 and 2008. Other areas of the economy that are expected to grow rapidly in the future include advanced manufacturing, low-carbon economy, life sciences, pharmaceuticals and engineering and construction.

Despite the fact that graduate jobs are changing rapidly, the mechanisms for measuring graduate success have not kept pace. Dr Paul Redmond, President of the Association of Graduate Careers Advisory Service, articulates this challenge well:

“The definition of ‘graduate’ and ‘non-graduate’ jobs is contentious at the best of times. It’s all about how jobs are coded and these don’t necessarily relate to what’s happening in the jobs market. Many jobs now classified as ‘non-graduate’ didn’t exist ten years ago. The world of work has changed dramatically over the last decade. One of our main challenges as careers professionals is preparing students for jobs that haven’t yet been invented. We also need to focus on how the 21st century job market really works.”

Dr Paul Redmond, President of the Association of Graduate Careers Advisory Service

49 Schleicher, A. The case for 21st-century learning
50 BBC (2014) UK’s creative industries beat employment downturn
Much of the disparity in outcomes is due to the fact that employers are looking for non-cognitive or ‘employability’ skills such as time-management, team working and problem solving, as well as academic credentials. This is part of the social and cultural capital that is so vital in our modern economy, but which certain groups of students are likely to hold in particularly small measures. There may also be cultural reasons why students from poorer backgrounds find it difficult to gain these additional attributes. For example, first generation students in higher education who come from lower socio-economic groups tend to feel that achieving graduate success through employment is more important than simply gaining access to university, and many prioritise academic study over extra-curricular activities without realising that employers are looking for more than academic skills when taking on new employees.

To get on, students need up-to-date information and experience of labour market opportunities, particularly as it relates to different local labour markets. A good way to achieve this is to engage with a diverse range of employers and other stakeholders to strengthen links between education and the needs of the economy, at a regional and national level, and provide effective careers guidance, from individuals who are independent, professionally trained, well informed and constantly updated on the latest information and labour market changes.

Ensuring graduate success in a changing world

The changing shape of the labour market means we must be more innovative in how we approach social mobility. Universities need to take account of these issues in the experience that they provide to students.

Graduate success in the UK’s rapidly changing economy requires universities to build resilience, address gaps in social and cultural capital and help students and graduates to build links to employers. This needs to happen both inside and outside the curriculum. Those with the greatest social and cultural capital have been able to build up their resources through a range of different experiences and opportunities, not just within the classroom environment. For example, if extra curricular activities are important for gaining employability skills then universities need to help all students to get involved in activities beyond their formal study. If networks are essential to graduate success then universities need to make sure they are helping students to build these networks. Universities need to recognise the differing starting point of non-traditional students and build this into their approach to teaching and learning.

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54 CBI (2011) Building for Growth, p36
55 Milburn, A. (2012)
While there are strong economic arguments for recruiting a diverse pool of employees, and evidence that employers value diversity not just academic brilliance, this can be a challenging job for some universities and their students and graduates. Producing ‘rounded and grounded’ individuals, as the CBI has put it, are the things that University Alliance universities excel in delivering, but this has not stopped employers from too often restricting their recruitment to very traditional exam results from a small number of universities. This disadvantages graduates of some universities who will be overlooked despite their potential. Ultimately, however, this practice disadvantages employers who lose out on this talent. As one employer put it, “We’re not only engaging with the university because it’s a nice thing to do for students, we’re doing it because it really helps us to deliver on our projects.”

Employers are missing a trick if they are not looking at a broader pool of applicants from a diverse range of higher education institutions.

The importance of careers advice in schools

Having ambitious but realistic expectations about higher education and career opportunities is an important part of feeling engaged in education and achieving career satisfaction, as well as in meeting current and future skills gaps. But realistic expectations can be difficult to acquire for many people in the UK because of a lack of co-ordinated information and guidance.

Changes to careers advice in schools since the 2011 Education Act have led to a dramatic reduction in careers guidance. A survey of careers advisors conducted in November 2012 found that more than 8 in 10 schools had reduced the careers advice they offer. Furthermore, Parliament’s cross-party education select committee in September 2012 said there was already evidence of a ‘worrying deterioration in the overall level of [careers] provision’.

A lack of information has also been identified as a considerable barrier to widening participation and up-skilling.

We have seen a proliferation of third sector organisations vying for this space, offering, at best, advice and guidance that is patchy and, at worst, biased and uninformed. The result, as the National Careers Council has found, is a mismatch of aspirations and real job opportunities. For example, more than one third of English teenagers said they wanted to do just ten highly competitive jobs (which included teacher/lecturer, lawyer, doctor and accountant) while the least popular jobs (including surveyor and welder) offer good career prospects and pay above national median salaries.

This misinformation is perpetuated by a public discourse about the value of different subjects, university courses and careers, which is not keeping pace with real changes in the labour market and within the higher education sector.

58 Interview with Clare Kennady, Norgren, a design and manufacturing company, 9th January 2014
61 Milburn, A. (2012)
62 National Careers Council (2013) An Aspirational Nation: Creating a culture change in careers provision, p08
For example, Sophie Cousens, a AAA student, wanted to study Marine Biology at Plymouth University, ranked as one of the leading courses of its kind in the world. But she had to battle her teachers to even apply to her favoured university, after they strongly encouraged her to choose an ‘elite’ university instead; this, despite the fact that other courses did not have the facilities offered at Plymouth. Plymouth University has won prizes for its world-class marine and maritime research, teaching and training, and boasts excellent resources including its own Marine Diving Centre.63 Those that know, know. The brightest students will investigate their options and will make well-informed choices about the best course and institution for them. But what about everybody else? We are not doing our job as educators if we are encouraging students to apply to university based on an institution’s brand. Because it is not that brand that holds a monopoly on opportunity.

This needs to be addressed if we are to enable students and graduates to make realistic and positive choices about higher education and their future employment.

Universities should do everything they can to engage with a diverse range of employers, to strengthen links between education and the needs of the economy and to offer the best opportunities to their students and graduates, whatever background they may come from.

To ensure the best graduate outcomes students need up-to-date information and experience of labour market opportunities, particularly as it relates to different local labour markets.

63 University Alliance (2011) More than just a degree: stories of empowered students
We often hear of ‘elite’ universities in the UK being both selective and ‘best’. We argue here that while elite universities are incredibly valuable to the UK and form an essential part of its higher education ecosystem, a strong and sustainable economy relies on all parts of the ecosystem working well. Diversity is one of the great strengths of the UK’s higher education sector but to say that some universities offer better opportunities simply because they are older and more established institutions, is not based on the evidence. Focusing on just one group of universities as the key to social mobility through higher education continues to have detrimental consequences for non-traditional students in the UK, and the wider social mobility agenda.

**Correlation does not equal causation: ‘elite’ institutions**

What do we mean by ‘best’ when we talk about ‘elite’ institutions? Do we mean best teaching? Best research? Best employment rates? Because all of those things differ considerably from place to place, institution to institution, and course to course; a broad definition of excellence is not reflected in the league tables and not all universities perform well against all of the different measures that do exist. For example, at the University of the West of England satisfaction rates for Law are rated at 91%, with 85% going on to work or study within six months of finishing their course. These satisfaction and employment rates are higher than some of the perceived ‘best’ universities. And there are numerous other examples.  

Those who focus on ‘elite’ institutions argue that attending one such university enables students and graduates to secure the best connections and enter the best professions. While we know that some traditional professions only recruit from a select number of institutions (despite the strong business case for recruiting a diverse pool of employees) there is no evidence that attending an ‘elite’ university is inherently ‘better’ than attending any other university. Not only is there no evidence for such an assumption but research suggests the opposite.

Firstly, while graduates of ‘elite’ universities do, on average, earn more than graduates of other universities, this is because on average, they attract entrants from wealthier backgrounds who already hold high A-level grades. The UK Government’s own research shows that once you take account of prior attainment and family background, the university a student attends makes no statistically significant difference to their future success and lifetime earnings.  

Secondly, attending an ‘elite’ university is no guarantee of securing a prestigious or well-paid job. Private school pupils are still over-represented in ‘elite’ professions, most likely as a result of increased financial and social capital which enables them to identify opportunities and get their foot in the door through low (or un-) paid work experience, principally in London. This was clearly discovered by the Paired Peers project, a longitudinal study carried out by the University of Bristol and UWE Bristol into how working class and middle class students experience different types of university. For example, the project highlighted Harvey, a working class student, who chose to study Economics at the University of Bristol because he believed it would help him to secure a job in a City bank. However, Harvey found that his degree was not enough to secure graduate success because he was unable

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64 UniStats, http://unistats.direct.gov.uk/
65 BIS (2013a)  
to access work experience opportunities, lacking the necessary networks to these employers. The findings of this research have failed to generate interest from policy makers and politicians.

The term ‘selective’, often used interchangeably with ‘best’, ‘elite’ or ‘top’ universities, is also particularly unhelpful in the context of the higher education market. The majority of courses are selective – universities choose their students as much as students choose their universities – with a wide range of courses right across the sector being highly selective and the reverse also being true, with almost every university in the country entering clearing to fill some of their less selective courses. To describe a university as ‘highly selective’ is misleading if what is meant by this term is simply that these institutions take students with high grades at level 3. We know that prior attainment is not necessarily a measure of someone’s potential in higher education or later life. As Bahram Bekhradnia, former director of the Higher Education Policy Institute (HEPI) put it in 2013,

“Being accepted for a course at university is not a prize for what you have done in the past; it is a recognition of what you are likely to achieve in the future.”

Bahram Bekhradnia, former director of the Higher Education Policy Institute (HEPI)

It would make more sense to focus on why ‘elite’ institutions have not made greater efforts to contextualise offers of places, including looking at qualifications beyond very traditional A-levels, which may better reflect the skills mix needed in the future economy and society.

Of course many top courses exist at traditional universities but they do not have the monopoly on all the leading courses across the UK.

For example:

• Bournemouth University’s Computer Visualisation and Animation BA is the top course of its kind in the country, it has AAA entry requirements and is accredited by Skillset, the Creative Industries’ Sector Skills Council. Graduates have worked for the industry’s best-known players, such as Magic (founded by George Lucas) and Dreamworks (partnered by Stephen Spielberg), and on hit films including Avatar, Lord of the Rings, Star Wars, Alice in Wonderland and Gravity.

• The University of Huddersfield, the 2013 Times Higher Education University of the Year, runs a Partners in Law Scheme with AAA entry requirements and includes internationally renowned legal firms as partners.

• The School of Engineering at Manchester Metropolitan University has been certified with the EUR-ACE® European quality label for engineering degree programmes, one of only five UK institutions, including Cambridge, to gain this prestigious certification.

• Oxford Brookes University’s Architecture course is consistently listed in the top five by the 100 top architectural practices in the UK and former students have gone on to work for top names including Norman Foster, Nicholas Grimshaw and Zaha Hadid.

• Students studying Computer Animation and Visual Effects at Teesside University achieve over 400 UCAS tariff points on average, well over AAA at A-level.
If we want to maximise our country’s human capital and economic potential we need to encourage students to make the best choices for them. That means changing the discourse around higher education choices. The labels ‘best’ or ‘highly selective’ are misnomers. These labels, applied to a whole institution, only demonstrate existing assumptions and prejudices. We need to ensure that all students are encouraged to make choices based on the best evidence available. And this evidence shows that excellent programmes exist right across the sector. If we encourage students to think otherwise, it will be those with the least resources who are unable to make the best decisions for themselves.

**Added value**

When evaluating efforts to support social mobility we need to look at how and to what extent universities add value to their students. There is recognition in political circles of the importance of this approach. For example, the Department for Education plans to move towards accountability mechanisms for schools that take account of students’ prior attainment and how well they perform relative to where they started.67

In higher education, however, those universities that add value particularly effectively are not given the recognition they deserve, for providing a transformative experience for so many people.

Regional employment levels also provide important context. Those institutions ranked at the bottom of the distribution in terms of higher education outcomes (university destinations data, DLHE), still show a significant employment premium in their local labour market as a result of holding a higher education degree, in the range of 12-25%. For example, Teesside University achieves an 83.3% employment rate six months after graduation in a city where the employment rate for all people of working age is 54.7% (a local premium of 28%). Or look at University College Birmingham, which achieves a local premium of 24%. As Andy Westwood points out, this can be matched but not exceeded by institutions at the top of the DLHE ranking. Cambridge University’s employment rate is 91.6% within a city where the employment rate is 74.6% (a 17% premium). This is particularly impressive given that Teesside and University College Birmingham are situated in fragile local economies when compared to the UK or England average.68

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67 Department for Education (DfE) (2014) Update on Progress 8 measure and reforms to secondary school accountability framework
68 Westwood, A. (2012) Employability: Congratulations to the best and ‘worst’ performers...
How we measure excellence and success

Excellence in higher education is often judged on the basis of university league tables. But league tables do not take account of added value, despite the fact that this measure has huge benefits for individuals and the UK as a whole. League tables measure research, media interest, graduate destinations, infrastructure and ‘executive’ recruitment. They do not measure, services to business, collaboration or other public service, all things which are critical to social mobility.69

Also not reflected in league tables is the quality of undergraduate education – which an Economic and Social Research Council (ESRC) study defined as enhanced academic and employability skills, understanding of and empathy for a wider range of people, and a change in personal identity and an intention to change society for the better.70 This study found that students had a strong awareness of the status of their university but that this did not necessarily translate into an experience of quality that you would expect, given that university’s standing in the league table.

While there have been some welcome additional datasets to help individuals make choices about higher education options, such as Key Information Statistics (KIS) and UniStats, the most publicised league tables are a crude measure of excellence. They encourage students to make decisions about university on the basis of their research output, not their excellence in teaching and learning, or in getting students into meaningful employment, all of which are essential to support social mobility.

League tables may even reinforce social inequality because they use measures which reflect the historical reputation of the institution and the financial resources at its disposal, not teaching quality or how much students will actually learn once there.71 This focus will always mean that a certain type of student fights for a place at a certain type of institution because it is historically ‘the done thing’.

They also do not take account of rapidly changing career opportunities, which often require a general qualification, rather than a specific one, the fact that there is no longer such a thing as ‘a job for life’ and that many people value mastering a task and gaining positive feedback as much as they value financial remuneration for their work.72

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70 ESRC funded project, Pedagogic Quality and Inequality in University First Degrees, http://www.pedagogicequality.ac.uk/
71 Rethinking Quality in the UK: Teaching and Learning in Higher Education - Selected findings http://www.pedagogicequality.ac.uk/documents/PolicymakerseventfindingsFinal_001.pdf, 8th November 2011
Employers recognise the need to take a more nuanced approach to recognising and assessing excellence and potential and are slowly adapting their processes to take account of them. For example, there is growing recognition that successful employees need to have the right attitude to work and this does not necessarily go alongside the best academic credentials:

“At Clifford Chance we believe in providing opportunities for people based on merit, regardless of background, and we continuously strive to ensure that there are no barriers to equality of opportunity. In order to address this we have launched a competition called Intelligent Aid, which offers a route into our training contracts that does not rely on prior attainment. The Intelligent Aid competition bypasses the traditional selection process of application forms and assessment days and gives students the opportunity to stand out through a single written assignment and face-to-face presentation at the final judging day.”

Laura Yeates, Graduate Recruitment & Development Manager, Clifford Chance

“At Siemens we want to be as diverse as the world we operate in, and as part of our graduate recruitment activity we welcome applications from across the global university landscape. To support this commitment, we are headline sponsors of the Target Jobs National Student Challenge, which gives students the chance to increase their employability skills by participating in an exciting competition, and is open to all with no targeting or pre-selection based on university or UCAS points. We are also focusing on increasing the number of internship opportunities we offer, with an external advertising and recruitment process to ensure that we open up these valuable opportunities to get industry experience beyond our internal network.”

Dan Simpson, Head of Talent, Siemens UK

Organisations set up to tackle issues of access – through providing academic support in schools to help students get into ‘selective universities’, or organising university visits to raise aspirations are admirable projects but they necessarily reach only small numbers of students. We need comprehensive and impartial careers advice to counter misinformation. This needs to be joined up in order to keep pace with labour market developments and new career and learning opportunities. Information needs to be constantly updated with real time industry experience and evidence in order to help people to make realistic and fulfilling choices for their careers. Since modern careers will probably mean moving within and between a variety of different jobs and sectors over one’s lifetime, instilling the skills and resilience to make choices over the long-term is also a key role of careers guidance.
To get the most out of government and third sector investment we should be supporting universities that transform lives on a large scale. For example, in just the first term of the 2013-14 academic year, Kingston University’s eight dedicated staff reached 9,000 students with development activities. Alliance universities undertake outreach activity to thousands of individuals and accept nearly half a million students every year.

**Recommendation 4**

We need to boost the National Careers Service by ensuring it is well resourced to work in partnership with HEIs, schools and employers. Effective careers Information, Advice and Guidance (IAG) requires a joined up approach, which can keep pace with labour market developments and new career and learning opportunities.

Misinformation about future opportunities results in skills mismatches and in students failing to achieve their potential. And misinformation particularly affects students from less well-off backgrounds. While there is a wealth of information already out there, students continue to lack meaningful signposting to help them navigate such complex and high volumes of information.
Chapter 5: ‘Forgotten’ students

While this paper focuses primarily on young, full-time undergraduates University Alliance is acutely aware of the pressures on other groups in the UK who are struggling to access and succeed in higher education. To support social mobility through higher education, it is essential that opportunities to study, gain additional skills that are relevant for a rapidly changing economy, and offer progression and job satisfaction are open to all.

Much of the disparity of access for groups beyond young, first degree undergraduates is due to a funding model which does not have the capacity to support these students in an expanding higher education system. However, these students are also affected by a lack of comprehensive and easy-to-access information and guidance, as well as a lack of flexibility in course provision. For example, with other commitments beyond their degree, part-time and mature students cannot always hand in an assignment, in-person, in the middle of the day on a Wednesday.

Part-time and mature

Mature students are defined as anyone over the age of 21. So the definition includes more students than one might at first realise. They are often looking for the opportunity to up-skill in order to progress within the workplace or to gain greater job satisfaction. Many mature students prefer to study part time, to balance higher education with other commitments such as caring for a family or continuing their career alongside their education. Mature students also tend to apply to higher education with a diverse range of prior qualifications. This may have implications for both entry to university and future employment if institutions and employers fail to recognise different educational milestones.

From 2010-2013, the numbers of part-time undergraduates applying to study in England fell by 40%. The fall is partly due to the removal of government loans for almost all Equivalent or lower qualifications (ELQ) students. These are students wanting to undertake a higher education qualification that is at an equivalent or lower level to one already held, such as those seeking to re-train in another area. This has meant that they must pay the full cost of their study up front. In an effort to redress this problem, the Government have been re-instating access to fee loans for some groups of ELQ students but this is piecemeal (for example, part-time ELQ engineering students can now access a fee loan but not if they are studying full-time).

This is a worrying development which has implications for the capacity of the UK to up-skill its workers in the face of international competition, particularly as the drop in part-time has also varied geographically, with already weaker northern economies seeing the largest fall in applicant numbers.\textsuperscript{73} Between 2010-2020 the UKCES predicts that the proportion of the UK workforce required to be qualified to higher levels will rise from 34% to 44% (an increase of 4.7 million people). But the majority of the 2020 workforce will be beyond the compulsory age of education, meaning that most of these skills will need to be developed during an individual’s working life.\textsuperscript{74}

\textsuperscript{73} UUK (2013b) The power of part-time: a review of part-time and mature higher education
\textsuperscript{74} UUK (2013c) Briefing on Part-time Participation in Higher Education, http://www.appg-universities.org.uk/Documents%5CRResources%5CPart-TimeBriefingAPPG.pdf
University Alliance has been exploring ways to introduce a lifetime loan allocation at low cost to Government in our uni_funding project. This would be in line with leading international practice and would support students to re-train and up-skill throughout their career at little or no cost to Government in the long-term.\footnote{75}

**Wider information and guidance**

While careers advice in schools is one challenge, reaching mature students with comprehensive information and advice about the career opportunities available to them is made harder by the fact that they are an extremely diverse grouping that can’t be found in one place, such as at school. IAG resources for up-skilling and re-training are extremely limited and need to be dramatically improved if we are to address skills gaps or ensure that people can train or retrain to lift themselves out of unemployment.

**Postgraduates**

A diversity of postgraduate education is essential for the UK to be internationally competitive and a postgraduate degree is increasingly becoming the glass ceiling for progression to some of the best employment opportunities. Yet opportunities to progress to a postgraduate degree are limited. This is partly because the vast majority of postgraduate study must be privately funded. There are some exceptions, like some research disciplines and teacher training in STEM subjects, but for the majority of students they must find the money to pay for their degree themselves.

There also seem to be non-financial barriers to progression at postgraduate level. For example, research has found slight disparity in rates of progression between students in different socio-economic groups and significant disparities between students from different ethnic backgrounds. Those in the lowest socio-economic groups are least likely to progress to postgraduate study and those in the highest groups are most likely to progress, particularly into research degrees. Black or Black British – African, Chinese and other Asian backgrounds outperform the mean progression rate, but students from Caribbean and Bangladeshi backgrounds are right at the bottom – making up less than 20 postgraduates each academic year. These disparities are again more pronounced in research degrees.\footnote{76}

Men are overrepresented in postgraduate education, even controlling for prior degree classification and subject. This is particularly pronounced in research degrees and exists across a range of subjects not just those thought to be predominantly male like STEM subjects.

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\footnote{75 More information can be found at http://unifunding.org.uk/framework/}

\footnote{76 Wakeling, P. and Hampden-Thompson, P. (2013) Transition to higher degrees across the UK: an analysis of national, institutional and individual differences, Higher Education Academy}
Other factors have also been found to be important such as prior undergraduate attainment, subject studied and geographical location. For example, the study found higher rates of progression for ‘pure’ rather than ‘applied’ subjects, which it attributes to differences in postgraduate funding opportunities and the structure of the graduate labour market for different disciplines, and that progression rates were slightly higher in London.\textsuperscript{77}

These facts suggest that barriers to postgraduate progression are both financial and cultural. University Alliance is looking at solutions to the immediate problems of access to student finance for these groups of students alongside identifying more sustainable options that will support a growing, flexible, diverse and competitive HE market in the future. However, the second barrier may require a longer period of cultural change.\textsuperscript{78}

\textbf{Apprenticeships}

Apprenticeships have received a lot of favourable coverage recently, with many hailing them as the way to save NEETs – young people not in education, employment or training. They can offer great opportunities, providing that all-valuable ‘in’ to the workplace, and on the job training for those who may be less interested in academic study.

Germany has a large apprenticeship programme and is often referred to as an example of where vocational training is used widely and is good at maximising skills and potential. In the UK, while apprenticeship opportunities have expanded rapidly in recent years (140\% between 2006-2011), they continue to be small in number – 442,700 compared to 2.5 million students in higher education in 2010/11.\textsuperscript{79} Apprenticeships are offered by approximately 20\% of employers in England compared to more than 50\% in Germany.\textsuperscript{80} Not all apprenticeships are respected by UK industry and most employers continue to use a higher degree as their main sifting mechanism for the best opportunities. There can also be high barriers to entry with demanding application processes for apprenticeships and school leaver programmes.

However, apprenticeships vs. university is a false debate. We should not be polarising them as an either/or choice. A National Audit Office (NAO) report in 2012 found that nearly three quarters of intermediate-level apprentices and half of advanced-level apprentices already had a higher qualification but the wage return for apprenticeships has declined over time.\textsuperscript{81} All of the evidence shows that plugging our skills gap and being able to drive an innovative, effective and efficient economy relies on people holding a certain level of both academic and practical knowledge and training.

\textsuperscript{77} Wakeling, P. and Hampden-Thompson, P. (2013)
\textsuperscript{78} More information can be found at http://unifunding.org.uk/framework/
\textsuperscript{80} Boston Consulting Group and Sutton Trust (2013) Real Apprenticeships: Creating a revolution in English skills
\textsuperscript{81} NAO (2012)
Much apprenticeship training is delivered in association with higher education institutions as well as employers, and the best apprenticeships offer the potential for progression, to gain higher levels of qualifications as well as to move up within a company. Advice and guidance must include information about apprenticeships, higher education and how to progress within and between the two, if we are to ensure we make the most of our country’s potential.

**Recommendation 5**

We recommend introducing a lifetime loan allocation to support re-training and re-skilling in line with international best practice. We recommend that this is an income-contingent loan that is repaid after graduation and that low earners are protected but that the cohort as a whole repay in full. In other words, this is a non-subsidised loan system.

We need to ensure loan access for all students in higher education to remove the barrier of upfront costs. This is particularly needed for postgraduate and ELQ students. An income-contingent lifetime loan allocation will maximise efficiency, allowing loan access to every student whilst not diverting Government funding or requiring supply constraints to be put in place in this part of the system.
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