



Social Mobility  
Commission

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**Interim Chair of the Social Mobility Commission**

# Background



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- Good information on the labour market value of different qualifications is essential.
- Many students enrol at least partly in order to acquire skills and qualifications for a career.
- Studying can incur a significant financial burden.
- Crucial that students are equipped to make informed decisions.
- Benefits all, but particularly the most disadvantaged.

# Our actions

1. Summary report
  - a. Review of current evidence on labour market outcomes of qualifications in HE and FE
  - b. Identification of key gaps in the literature
  - c. Exploratory analysis comparing value-add of HE institutions and their performance against selected access metrics
2. Review of currently available information about labour market outcomes
3. Surveys
  - a. Whether students accessed information on labour market outcomes
  - b. Who influenced their choice of qualification

# Summary report

- Focused on value-add, not just raw earnings.
- Value-add accounts for individual characteristics.
- Not a full review of all available literature on this subject - a first step.
- Used studies based on LEO data - administrative data is less prone to selection bias than survey-based studies.
- Lots of factors can't be easily measured - e.g. interests, job and life satisfaction.

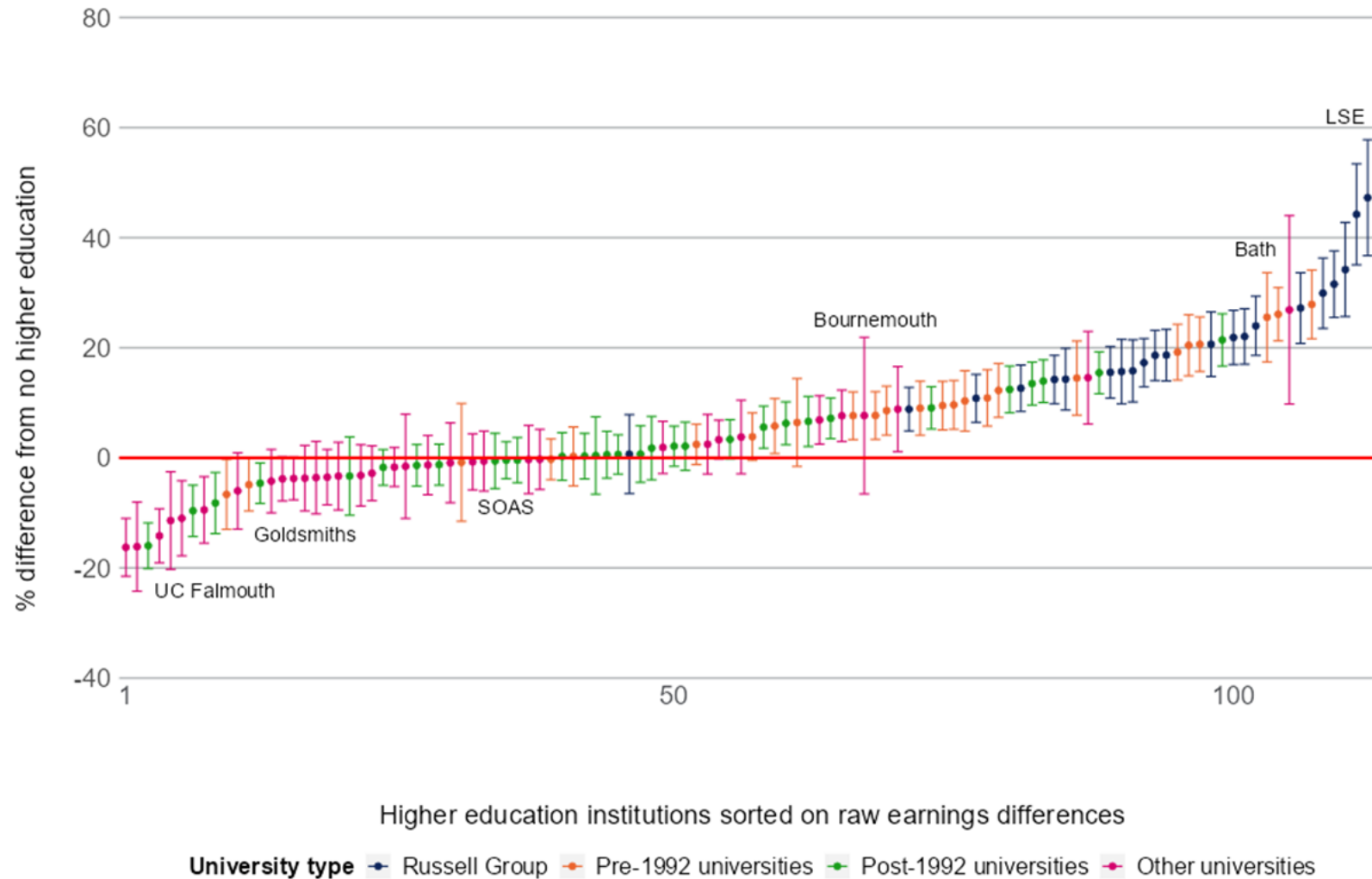


# Higher Education

## Key findings

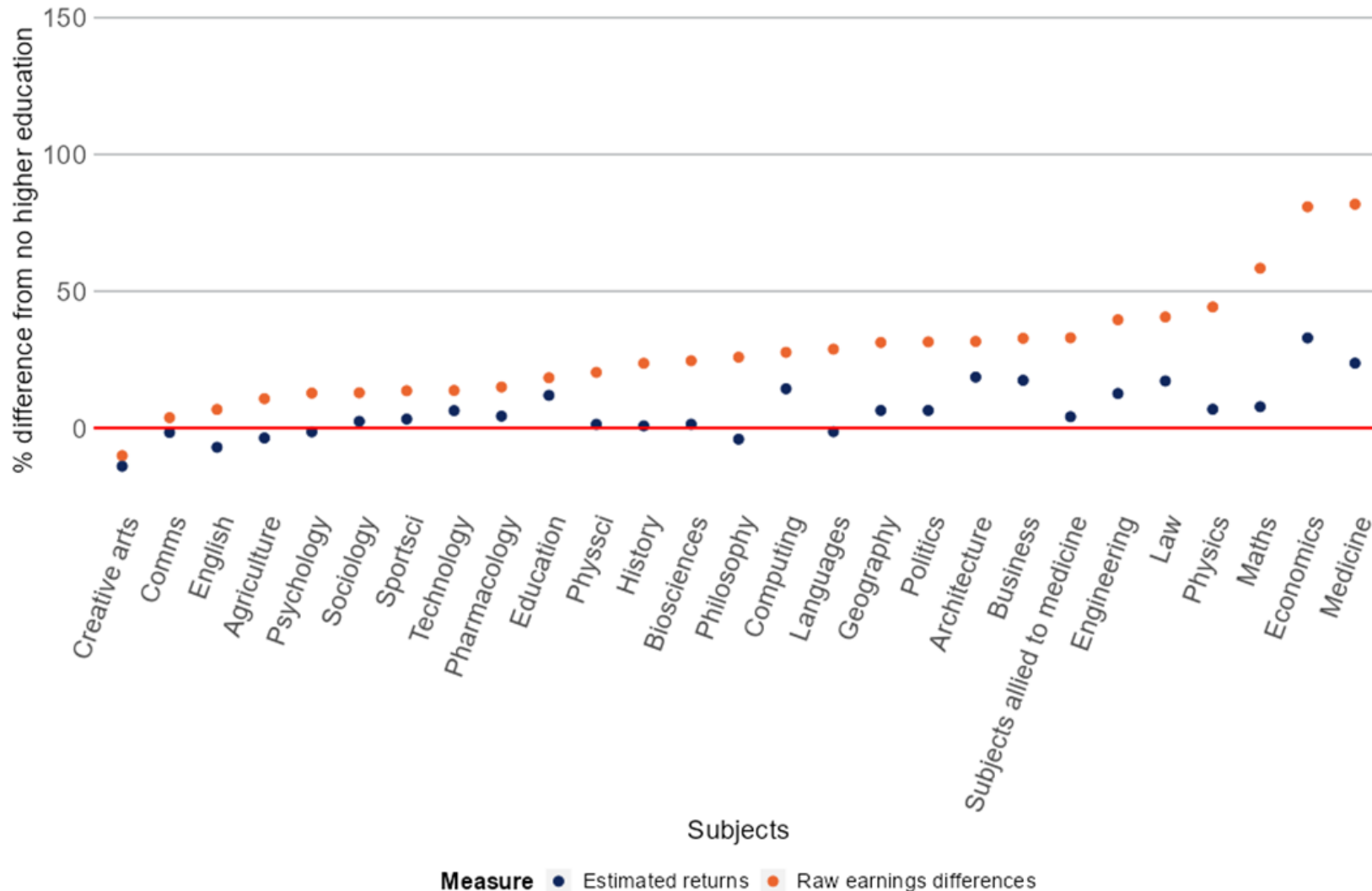


# Variation in value-add between HE institutions



- Russell Group unis tend to have the highest value-add
- Then Pre-1992 unis
- Post-1992 and 'Other' unis tend to have lower value-add

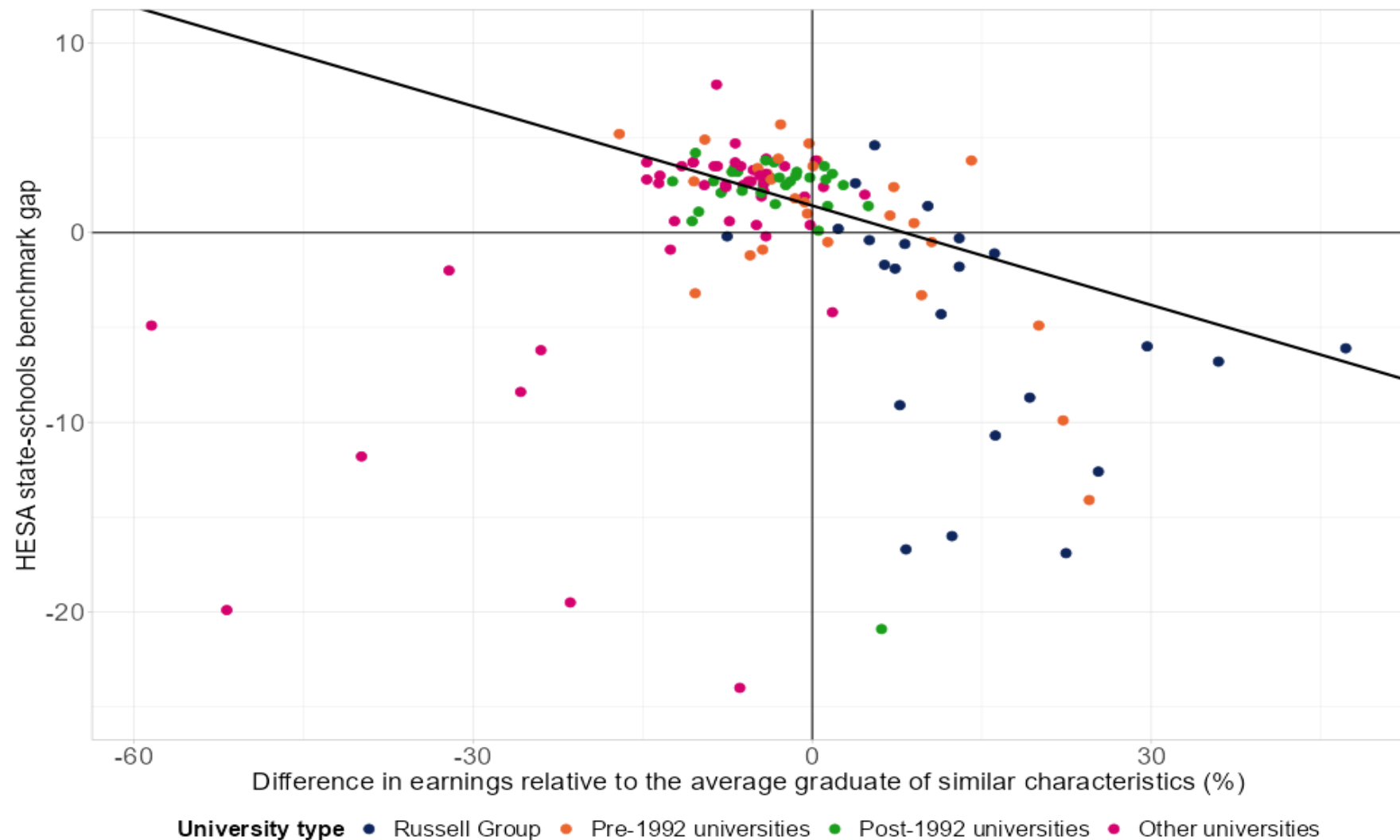
# Variation in value-add between HE subjects



- STEM (science, technology, engineering and mathematics) and LEM (law, economics and management) subjects generally have higher value-add



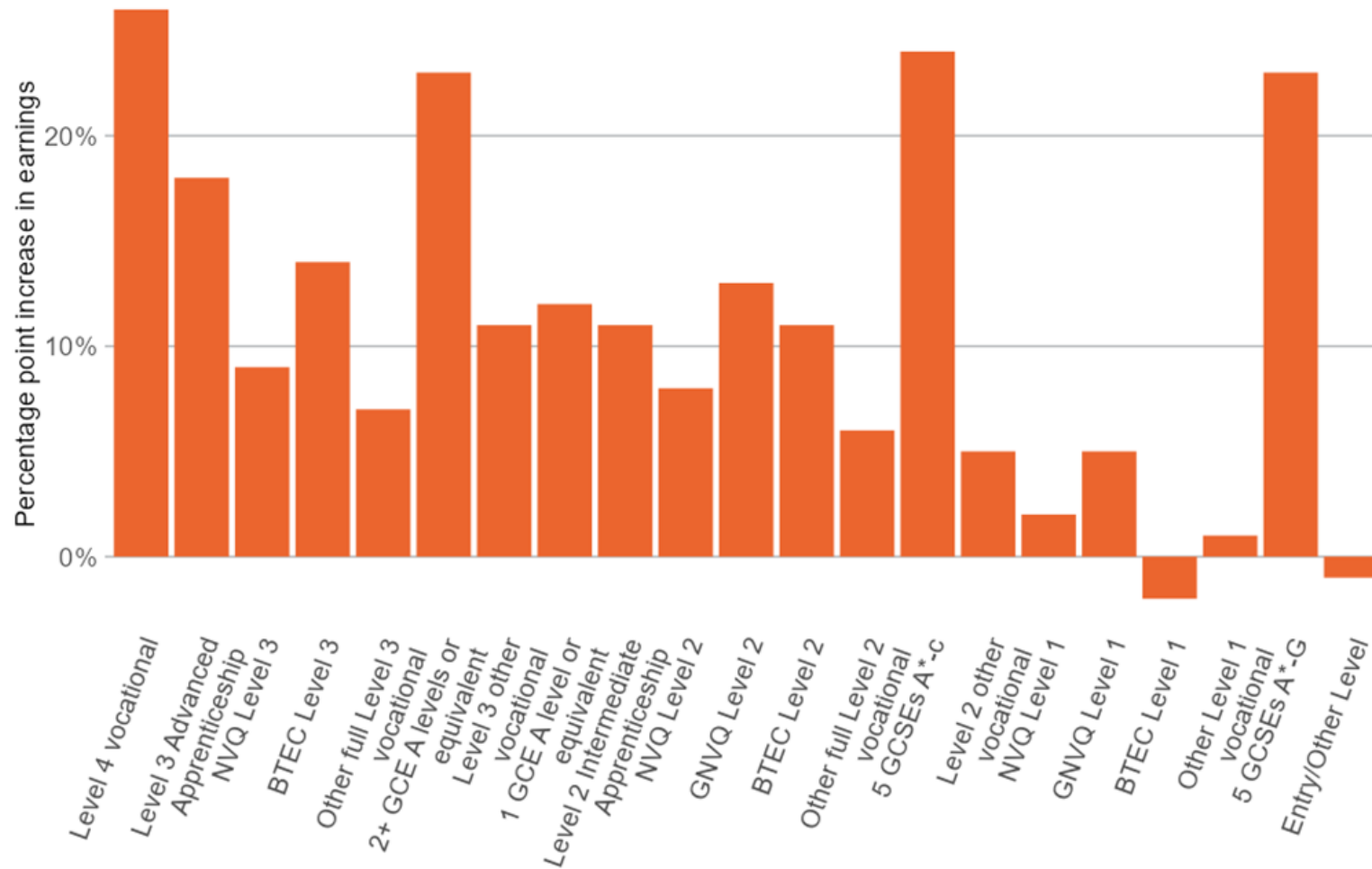
# The problem for social mobility



# Further Education

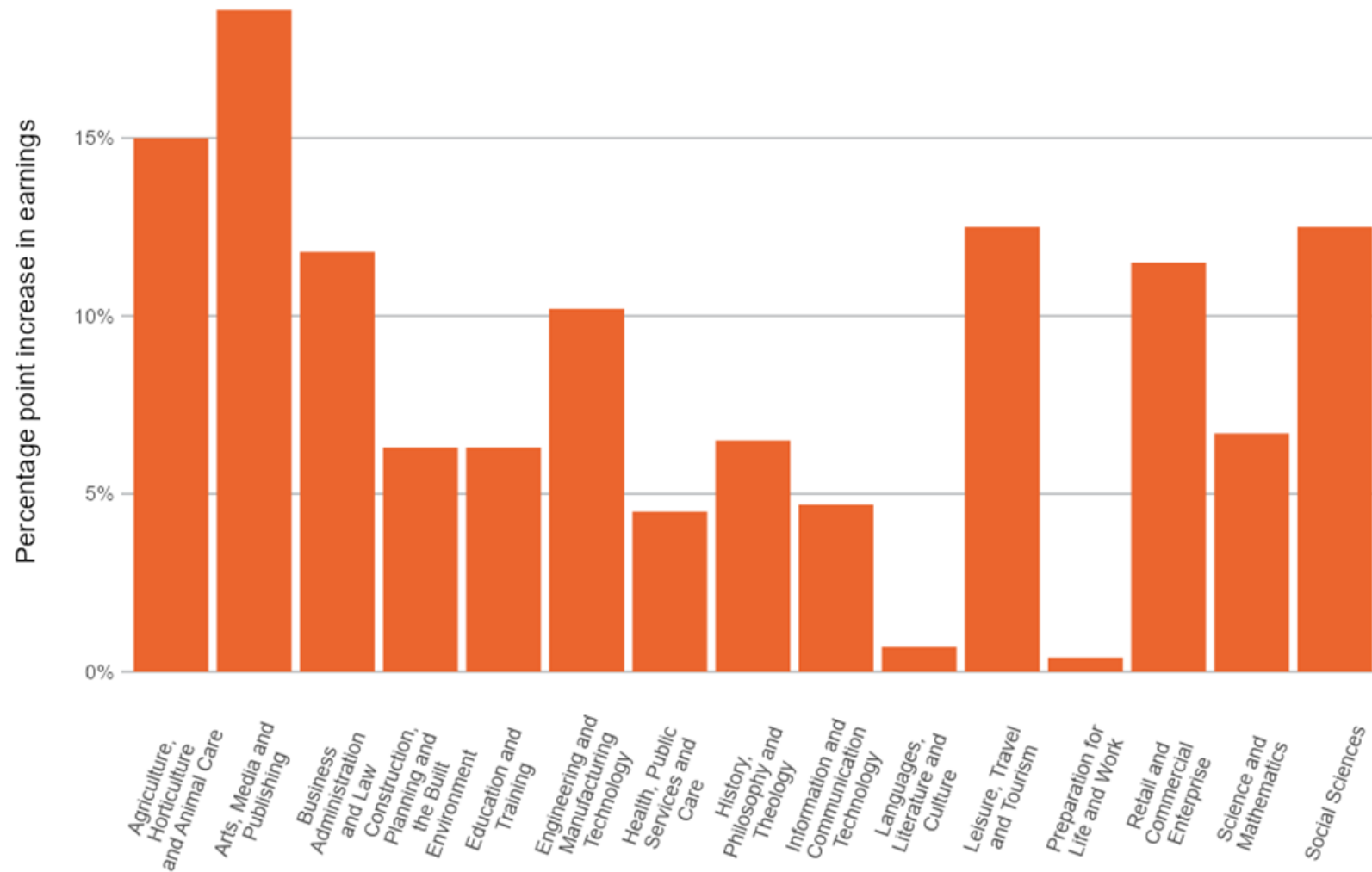
## Key findings

# Increased earnings compared to a similar learner with a qualification at the previous level



- Working your way up the qualification ladder may lead to higher future earnings

## Variation in value-add between subject areas



- Engineering top for men
- Business administration and law top for women
- We do not know whether people who studied in these sectors went on to work in them

## Availability of information



# UCAS



# Surveys

## Survey 1: upReach students

- Current HE students
- Sample size of 476
- Students from lower-income households who attended UK state schools
- Higher than average A-Level grades
- Highly engaged with their education and future career options

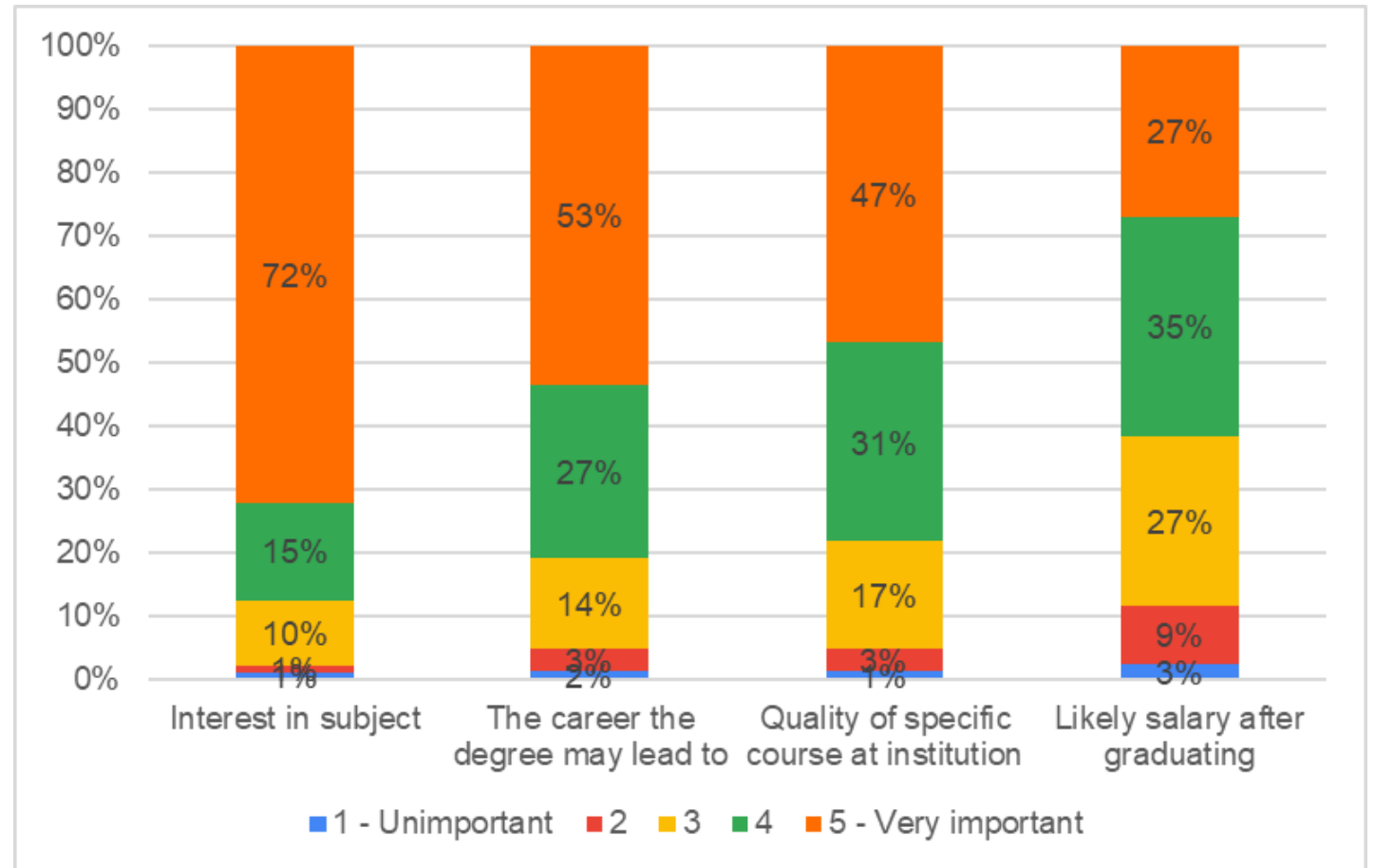
## Survey 2: Wider target

- Current sixth form students
- Current HE and FE students
- HE and FE alumni
- Sample size of 1,487
- 86% of respondents were current sixth form students

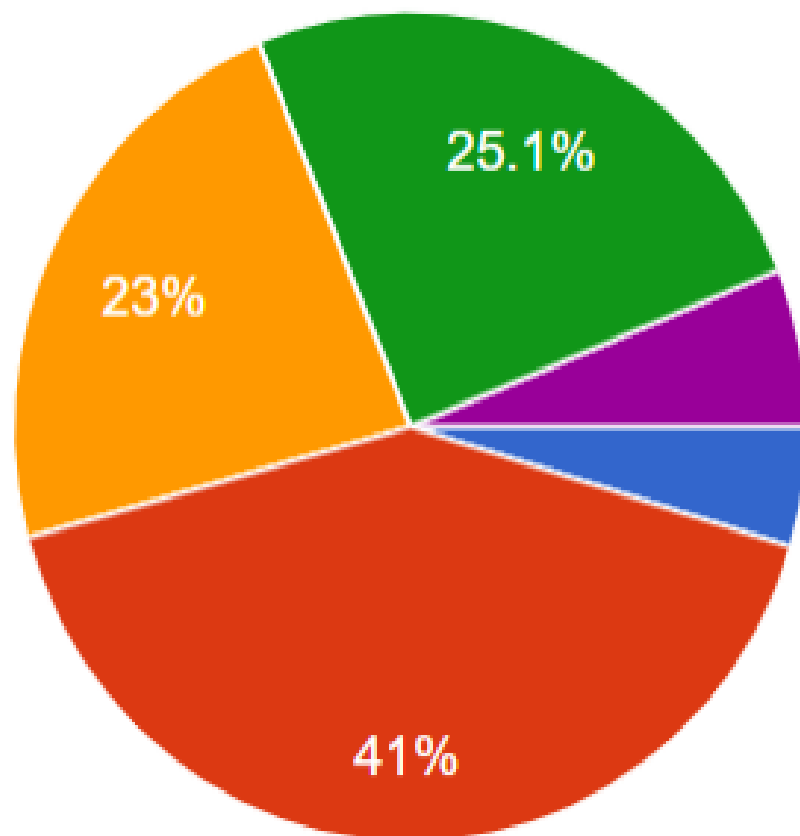
# Respondents prioritise their interest when considering study

- Top concerns are:

- Interest in the subject
  - The career the qualification may lead to
  - The quality of specific course and institution are the most important factors when deciding where and what to study.
- 
- Likely salary after graduating  
- 4th most important



## Many sixth form students don't know that salary information is available



- Not applicable
- I know this information is available. This IS an important factor in my decision.
- I know this information is available. This ISN'T an important factor in my decision.
- I don't know if this information is available. If it is, it WOULD be an important factor in my decision.
- I don't know if this information is available. If it is, it WOULD NOT be an...



## 4. The most popular source of information about salaries is from institutions' websites

	Considering a degree	Considering a VTQ
University/college own website	44%	32%
Careers advice websites e.g. UCAS, Prospects	32%	17%
National Careers Service or other government sources	17%	15%
Universities guides such e.g. The Times, The Guardian	14%	N/A
Industry regulators or websites	10%	7%
School/college careers service	10%	15%

## What can we do?

- A central, impartial hub of information.
- Better data on the value of FE qualifications.
- Additional surveys, focusing on students from lower socio-economic backgrounds.
- Improved access benchmarks for universities.

# Thank you for joining us

We welcome questions and feedback

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