

TEXTO PARA DISCUSSÃO Nº 007/2010

**Flexible employment, student labour
and the changing structure of the UK
labour market in university cities**

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centro de estudos da metrópole

CENTRO DE ESTUDOS DA METRÓPOLE

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ISSN: em tramitação

Expediente

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Flexible employment, student labour and the changing structure of the UK labour market in university cities

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The changing conceptualisation of Higher Education: UK as an example of a global trend

The policies of successive UK governments, in common with those of virtually all developed and most developing countries, increasingly have been designed to expand higher education in the belief that widening access and the resulting increased output of graduates will contribute to the growth of a 'high skills' economy and greater economic and social prosperity. It provides a very clear illustration of changing policies and trends that have become characteristic of all developed and most developing countries throughout the second half of the 20th century and into the first decade of the 21st.

In the early 1960s less than 8 per cent of UK school-leavers entered higher education (HE) and full-time 'mature students' were virtually unknown. Throughout the 1970s, the social accountability of universities was moved from the periphery to the centre of UK government thinking about HE investment in the 1980s. Initially, government demands for greater efficiency curtailed growth at the start of the decade but increasingly, these led to changes that lowered the unit cost of provision without reduction of numbers and to considerable expansion in the late 1980s and into the 1990s. At the beginning of the 1990s, the binary divide between local government funded polytechnics and the independent, central government funded universities was removed, allowing polytechnics to be called universities and award their own degrees rather than through accreditation by the Council for National Academic Awards (CNAA). The concurrent and subsequent expansion has accelerated the growth of mass higher education, and it has moved considerably from the *elite* provision and philosophy of the 1960s' system. Along with lower unit costs, current provision is characterised by the increasing diversity of HE providers, courses and participants and by the impact of successive government policies on HE management, funding and participation.

In line with the ethos of new public sector management, students have become *customers* and employers of graduates, *clients* of the HE system (Ferlie *et al.*, 1996). This increasingly 'outside in' policy approach to UK higher education (Shattock, 2006) is predicated upon the availability of accurate labour market information. In his introduction to a collection of research-based discussions of the relationship between HE and the labour market Lindley (1981) reflected that 'the placing of labour market questions first on the agenda does not reflect the view that the answers to them should, necessarily, determine policy over the next two decades.' However, many would argue that in effect, this is what had already begun to happen and has now become one of the main drivers shaping policies about the nature and funding of HE.

The 'knowledge economy' thesis that underpins these policies, as well as the policies themselves, is predicated upon the belief that, in the 21st century, successful economies will rely more upon knowledge rather than material resources to maintain global competitiveness (DIUS, 2008a; Rodrigues, 2004; OECD, 2004; DfEE, 1998; Leadbeater, 1999; Reich, 1992). The thesis has been critically reviewed by the research community (*e.g.* Brown *et al.* 2008). Social scientists have largely been sceptical about both trends and policy diagnoses, arguing that movement towards a knowledge-intensive economy has been overstated, that the predominant policy emphasis on labour market demands for highly qualified people is misguided, that apparent up-skilling reflects, at least in part, credential inflation, and there has been concern that there is a growing over-supply of graduates to the labour market and a mismatch between the skills and knowledge developed on degree programmes and employers' requirements, resulting in underemployment or under-utilisation of skills among a substantial minority of graduates (*e.g.* Brown and Hesketh, 2004; Lloyd and Payne, 2003). Deer and Mayhew (2007) raised questions about the longer term implications of UK and EU high skills policies and the socio-economic impacts of HE expansion, but there is no doubt that, although the graduate premium has decreased somewhat since the millennium, employers have continued to pay for (and invest in) applicants with degrees (Green and Zhu, 2008; Elias and Purcell, 2004; Felstead *et al.* 2003). This trend, taking account of projected changes that will inhibit growth, even on the most pessimistic estimates, is expected to continue for the next 20 years (Bekhradnia and Bailey, 2008), beyond current recessionary slowdowns – recognising that there is an increasingly wide range

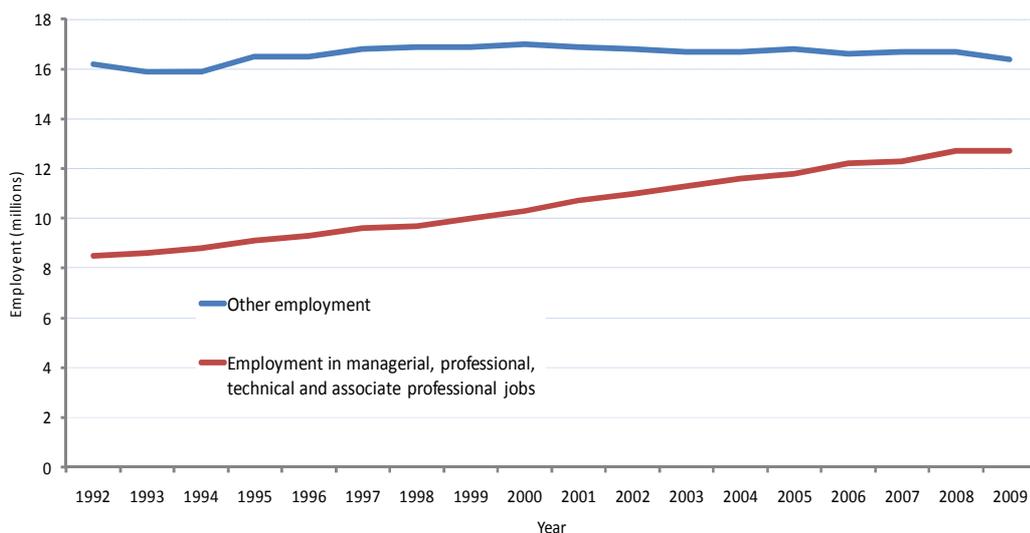
and possibly an element of polarisation in the returns to different degree achievements and areas of knowledge.

Trends in UK employment

There has been considerable debate about the extent to which this reflects sustainable and widespread growth of a ‘knowledge economy’ and/or increased polarisation between ‘good jobs’ that require increasing levels of skill and offer career development opportunities and, at the other end of the spectrum, low status, routine, low paid and insecure employment. The conflicting analyses are well illustrated by the recent UK government report (DIUS, 2008) on the skills development policy underpinning current and projected UK government and EU higher education strategies. Brown *et al.* (2008) called for a more sceptical analysis of future global trends, but economic restructuring and higher education certainly have a reflexive relationship, and the expansion of HE has not only impacted upon employers’ construction of and recruitment to full-time jobs that graduates obtain after completing their courses, but also on their recruitment of part-time staff where, in some industry sectors, students working part-time form a significant proportion of workforces¹.

Over the past two decades, employment in the UK has grown by over 4 million jobs - approximately 20 per cent of the entire workforce. Most of this growth has been located at the higher end of the occupational spectrum. An indication of the nature of these changes can be gained from Figure 1, in which we distinguish between two broad categories of occupations. The first of these covers managerial, professional and associate professional occupations, essentially those which are strongly connected with the growth of the ‘knowledge economy’ – jobs linked to the production and utilisation of knowledge rather than physical goods and low level services. From a base of 8.5 million jobs in 1992, this group of occupations has grown to cover 12.7 million jobs by 2009. While there have been offsetting compositional changes among the other group of occupations (covering administrative, secretarial, skilled trades, personal, sales and customer service, process, plant and machine operatives, elementary occupations), it is clear that the growth in the group of high level occupations is linked to the growth in full-time employment more generally.

Figure 1: Changing structure of occupations, UK, 1992-2009



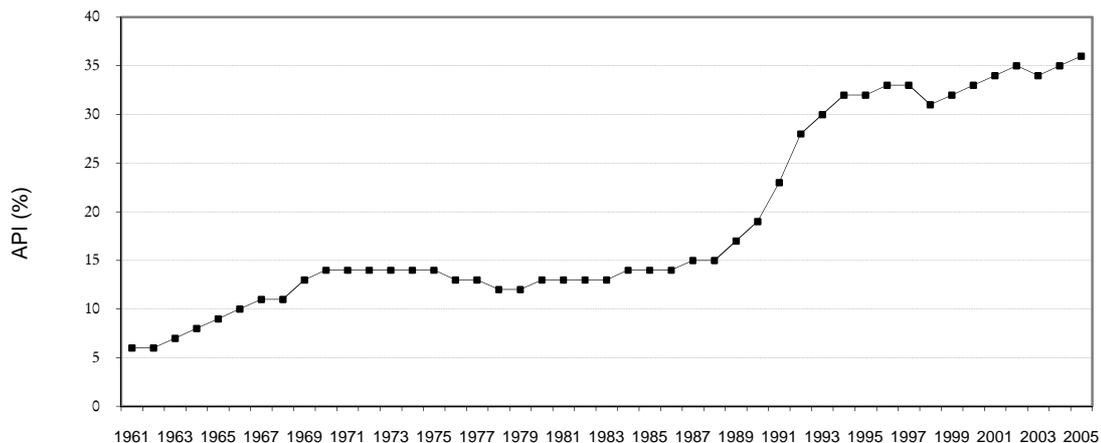
Source: Elias and Purcell 2009, based on UK Labour Force Surveys, 1992 – 2009 (Quarter 2 each year)

¹ See <http://www.e4s.co.uk/docs/recruitment-agencies.htm> for examples of the kinds of organisations that seek student employees and the industry that this demand has spawned.

These trends reflect the extent to which, in common with that of other advanced economies, the structure of the UK labour force changed significantly throughout the second half of the 20th century, particularly towards the end of it, and into the new millennium. Women's participation in paid work over their life-times increased and economic restructuring led to changed ratios of jobs in primary, manufacturing and service industries. Germane to the issue of the extent to which student labour is a significant element in the increasingly flexible labour force, the increase in global competition and the impact of technological sophistication on communication have radically changed the way that hours of work are organised throughout the economy and the world. Additionally, the skills required by employers changed, particularly in the balance of skilled and unskilled manual work requiring traditionally male craft skills and physical strength, and occupations requiring knowledge, technical skills and interpersonal, often client-focused skills in personal, consumer and public services and many of the managerial, technological and administrative jobs and those related to the environment that did not exist in previous generations (Elias and Purcell, 2004). Throughout almost the full range of economic activity, particularly in urban areas, '24-7' operation² and long operational hours have become commonplace, facilitated by a changing jigsaw of workers with a variety of contractual arrangements and hours of work in order to make products and provide services to meet shifting daily, weekly and seasonal demands; 'just-in-time' production and delivery.

It is well-established that these trends have been in evidence since the early 1980s. Such growth would not have been possible without some increase in the acquisition of high-level qualifications associated with many of the relatively high skilled and well paid occupations, particularly 'new jobs' or 'green' jobs (EU, 2010). Figure 2 shows the growth in participation in higher education for young people through the early 1990s, the period of transition in the UK higher education sector from a system catering for a relatively small *elite* to mass higher education.

Figure 2: Participation by young people in Higher Education, Age Participation Index³ (API) Great Britain, 1961 to 2006



Source: Elias and Purcell (2008)

Much of this growth reflects women's increased participation in higher education – to the extent that the preoccupation with girls' and young women's educational underachievement has now been superseded by concern about lower proportions of young males obtaining secondary education qualifications and proceeding into higher education and training. Girls are less likely to complete school with no formal qualifications and obtain more and better national secondary education certificate grades than boys. Female graduates are more likely to have obtained first class or upper second class honours degrees than males and consequently are well-placed to compete for 'knowledge economy' jobs, where the growth of female employment has exceeded that of males. The increase in other 'non-traditional' groups has been less dramatic but generally steady, in terms of students from relatively disadvantaged social and educational backgrounds in terms of social class, different ethnic minorities and adult returners to HE who did not progress to HE at the normal school-

² See http://www.open2.net/moneyandmanagement/management_organisation/24hourworking.html for useful summary of this concept.

³ The Age Participation Index (API) measures the number of home domiciled young (aged under 21) initial entrants to full-time and sandwich undergraduate courses, expressed as a proportion of the average 18 to 19 year old Great Britain population.

leaver transition stage, but the government remains committed to widening access to these groups. The current trends, taking account of projected changes that will inhibit growth, even on the most pessimistic estimates, are expected to continue for the next 20 years (Bekhradnia and Bailey, 2008).

Much research has been done, and continues to be done, on the impact of HE expansion to 'the graduate labour market' and even to occupational restructuring of jobs that reflect both the demand for and the supply of graduate labour at the relatively advantaged spectrum of employment opportunity, but there has been little consideration of how the expansion of HE has led to greater labour market polarisation and reinforcement of disadvantage among less highly-educated or skilled job-seekers and how changes in HE funding have impacted upon the labour market *while* students are studying rather than after they graduate. In particular, one impact of HE expansion has been a substantial increase in student employment during university terms and vacations, which clearly, given the stability of lower skilled jobs as a proportion of the labour force and, along with that, increase in part-time and agency-mediated employment, for which there is some evidence that they may be displacing less-qualified potential applicants for these jobs, at least in some contexts or sectors (Purcell *et al.* 2004; Koene and Purcell, 2005; Canny, 2002; Purcell *et al.* 1999).

Students as part of the flexible workforce: economic restructuring, occupational change and student employment

Changes in funding arrangements for UK students shifted responsibility for HE investment from government to individual learners and their families, in particular, the introduction of repayable student loans for those who were deemed to be able to afford to contribute to the cost of their HE. There were in addition means-tested grants aimed to enable students from lower, previously under-represented, socio-economic backgrounds to enter HE, based on the assumption that previously excluded members of the population would be enabled to gain the long-term benefits of HE without being hampered by the burden of debt after graduation, but eligibility for these included only those from the lowest socio-economic backgrounds. Access to funding proved to play a role in determining whether students took paid employment during their courses and whether they had time for other activities. Most analysts have concluded that the increased financial pressure and higher levels of debt, particularly since the changes in HE funding arrangements introduced at the beginning of the 1990s, have fostered an increase in students taking on paid work in parallel with their course-work during term (Humphrey, 2006; Callender and Wilkinson, 2003; Metcalf, 2003).

As the pressure to participate in paid work during term has grown, it has increasingly been seen by students and employers alike as a useful opportunity. The market in student part-time and temporary work, long established in some industries and in vacation months, has expanded considerably, involving commercial and public sector intermediary services work⁴. Between 1998-1999 and 2002-2004 the proportion of students in paid work increased from 47 per cent to 58 per cent as debt associated with higher education participation rose after the introduction of student loans (Callender and Kemp, 2000; Callender and Wilkinson, 2003). The Student Income and Expenditure survey in 2004 found that 56 per cent of all full-time students had undertaken paid work at some point during the academic year while the more recent 2007/08 survey somewhat surprisingly showed that this figure had decreased to 53 per cent of Futuretrack students in 2007/08 (Johnson *et al.* 2009). Smaller scale surveys of students at a 1992 university (Hunt *et al.*, 2004) and an old Scottish one (Carney *et al.*, 2005) reached 48.7 per cent and 50 per cent respectively a few years earlier.

The implications for student learning of increasing student employment during term has been a major concern for those who deliver full time HE courses (Little, 2002) and numerous studies have been undertaken to explore the implications of these reforms and their impact on communities and on the students' progress on their courses, balancing the positive impacts of gaining work experience and the negative impact of taking time away from study and the potential to enjoy other extra-curricular advantages available to full-time students and valued by employers – participation in sport, drama, student associations and voluntary work. There has been virtually no examination of the impact on employment opportunities for low-skilled workers as a result of student economic participation.

⁴ See <http://www.justjobs4students.co.uk> and http://www.gradsouthwest.com/cms/ShowPage/Home_page/Student_Zone/pleLibX1

Given government aspirations to increase HE participation but lower the unit cost per student to government and higher education institutions, increasing numbers of students study in their home towns and regions, particularly those from relatively disadvantaged backgrounds, rather than, as was traditional for UK undergraduates, moving to a different city where independence from family of origin was one of the associated *rites de passage* of being a student. Now a government all-party committee has produced a report that advocates waiving of undergraduate HE fees for students who live at home while studying (Milburn Report, 2009). Our longitudinal research on full-time students who embarked on their studies in Autumn 2006, covering the full spectrum of UK HE from the most elite to the least established institutions, suggests that this has further implications for student employment during term, as students living at home have been found more likely to have regular employment that they maintain from prior to HE entry throughout their university and college careers.

We asked participants in the Futuretrack survey about intentions about, and actual participation in, paid work during term and vacations, in the Stage 1 survey prior to HE entry, at Stage 2 asking about their first year experiences, and at Stage 3, as they approached the end of their final year which, for many, was their graduation year.

The anticipation of paid work by socio-economic background is worth comment. Overall, work during holidays was more commonly anticipated than work during study. Work during study was most commonly planned by those from routine and manual occupational backgrounds, whereas work during holidays was more commonly envisaged by those from a managerial and professional occupational background. However when the two work variables were combined, some interesting patterns emerged. The proportions of applicants indicating that they did not intend to work either during study or during holidays was remarkably constant across all backgrounds; 32 per cent managerial and professional and 31 per cent for each of intermediate and routine and manual backgrounds. To put it another way, nearly 70 per cent of all accepted UK-domiciled applicants considered that they would take some sort of paid work to help fund their higher education, and across all backgrounds over 40 per cent anticipated taking work during both holidays and during term time.

The difference in plans to contribute to their HE participation costs by paid work was marked, in relation to the educational background of the applicant, with those from independent schools least likely to intend to work at all to fund their higher education and least likely to indicate that they would work during term time and during holidays for any reason. While 31 per cent of those from independent schools said that they intended to work in term time and in holiday time, the figure for all other educational backgrounds was over 40 per cent. As previous research evidence has repeatedly indicated, those from disadvantaged educational and social backgrounds showed a greater propensity to be engaged in paid term time employment, and to suffer further educational disadvantage as a result (Curtis, 2007; Moreau and Leathwood, 2006; Callender, 2006; Hunt *et al.*, 2004; Pitcher and Purcell, 1998). Broadbridge and Swanson (2005) undertook an interesting study on term time employment highlighting some limitations of previous studies which have often lacked a theoretical framework, concluding that further exploration of the issue is required, very much along the lines being undertaken in the Futuretrack study.

In their study, the issue of the impact of paid employment during term time on the psychological well-being of students is also raised. This fits with the finding that term time employment was found to cause stress related to the need to juggle paid work and academic study at the same time (Pickering and Watts, 2000), that it led to less time to study, missed lectures and a limited focus on studies (Curtis and Shani, 2002), and the achievement of lower marks and less participation in social university life, which all affect the student's ability to compete in the graduate labour market (Humphrey, 2006; Purcell *et al.*, 2005). Both of these studies related reported working patterns to end of year academic performance. The main findings showed that students who engaged in term time employment were less likely to have been involved in university social life but also that employment appears to be related to a direct effect on their end of year average marks. In addition, Humphrey's research showed that students who worked during term were overwhelmingly from state schools rather than from independent privately funded schools which also indicates that 'structured inequality, an inherent feature of a divided secondary education system, is being pulled firmly into HE' (Humphrey, 2006: 286).

An earlier study (Metcalf, 2003) of a randomly-selected sample of third year students at four universities showed that students who worked during term time were likely to achieve less academically, but also might be disadvantaged in institutions where term time employment is less common or frowned upon, particularly in those HEIs with high tariff entry requirements. This is clearly related to the importance that universities attach to maintaining their reputations and perceived status in the academic league tables, which subsequently entailed limited flexibility of these institutions to accommodate and adjust to the new situation of students-employees characterised by increasing responsibilities and tasks under the present financial regime. New universities, which have a higher proportion of students from lower socio-economic backgrounds, have become more flexible in meeting the needs of this student population, which has the Janus-faced advantages and costs discussed above, whereas high-achieving 'refugees' from the lower-socio-economic classes who gain places in the more *elite* universities may be handicapped financially if they do not obtain paid employment and handicapped scholastically if they do, reinforcing existing class-based inequalities in HE (Metcalf, *ibid*).

When Ford *et al.* (1995) conducted their study of student paid work in four universities, only 30 per cent of students had any form of paid work but already, there was clear evidence that employers had identified students as a useful and flexible source of part-time labour who normally possessed above average interpersonal skills and the capacity to learn jobs quickly (Hutson, 1990). They concluded, perspicaciously that:

'Potentially, many labour markets might come to be characterised by a student segment distinct from or replacing other low wage segments. Thus student employment is not only an issue for higher education but also substantively for understanding many local labour markets.' (Ford *et al. op cit.* 201).

It was apparent from aggregate statistical analyses and case study research in a range of developed countries including the UK that employers were increasingly capitalising on the potential of student labour by the end of the 1990s and into the new century; in particular employers in hospitality, retail, ICT business services, various areas of the food production industry and most of all, the temporary work agency (TWA) sector (Munro *et al.*, 2009; Curtis, 2007; Koene and Purcell, 2005; Purcell *et al.*, 2005, Bergstrom *et al.*, 2004; Curtis and Lucas, 2001; Purcell *et al.*, 1999). All of these studies, however, apart from the most recent one cited, were focused on the industries' human resource and recruitment practices, or on the impact *on students'* levels of achievement, experience of HE, employment skills or financial circumstances, of whether they did or did not do paid work. Between Ford *et al.* in the early 1990s and Munro *et als'* study, there has been little consideration of the impact of student employment on the structure of the workforce and opportunities for their labour market competitors – although a study undertaken in the Netherlands which exhibits very similar trends both in the organisation and growth of higher education and student employment conducted in the late 1990s suggested that there was considerable evidence of displacement of low skilled workers by students.

The honourable exception of the latter does, however, emerge from a growing interest from social geographers and policy-makers with the spatial implications of HE expansion. Most of this interest has focused on the role of universities in economic regeneration and economic growth (DIUS, 2008; Drucker and Goldstein, 2007; UUK, 2006a) with little attention paid to the impact of the student population on regional or urban metropolitan areas in which they are most concentrated. Where this *has* been researched, it has generally been the social and cultural impact of student concentration in particular urban localities and their role as tenants and consumers (UUK, 2006b; Smith, 2005; Van den berg *et al.*, 2004). Munro *et al. (op cit.)* have undertaken a preliminary study of student concentration in primary urban areas, indices of advantage and disadvantage, and student participation in the local labour market. As part of this investigation, they address the question of whether there is evidence that they displace less advantaged job-seekers and in the process, and although their conclusions are primarily that a more finely-nuanced investigation needs to be undertaken, they highlight some fascinating patterns and throw light on the issues that might enable a more detailed investigation of where and when student workers enhance or reduce labour market opportunities for others in the locality.

The majority of student employment identified in the more recent studies, as in those conducted in the 1990s, has also been in hospitality, retail and unskilled administrative occupations, areas rarely

relevant to the students' academic studies, although transferable skills were developed by the students and were perceived as a positive aspect of the employment in addition to meeting their financial needs (Greenbank, Hepworth and Mercer, 2009; Purcell *et al.*, 2009; Curtis, 2007; Moreau and Leathwood, 2006), particularly the development of interpersonal skills. Munro *et al.* (*op cit.*:1816) have undertaken an analysis that is worth citing in detail:

'According to the APS⁵ for 2006/7, 38% of students work in the retail and wholesale sector (compared with 15% of the workforce as a whole), 18% work in hotels and restaurants (4% for the whole workforce)...[], Hence students are more than twice as likely as other people to work the retail sector and four times as likely to work in hospitality. This is not simply a function of their age. Students are also far more likely to work in hospitality or retail than other young adults. For example, 36% of students aged 20-24 years work in retail and 20% in hospitality, compared with 20% and 7% respectively of other people of the same age.

'In terms of occupations, 33% of students work in sales or customer services (compared with 8% of the whole workforce) and 29% in elementary occupations (12% of the whole workforce).'

They also make the point that the differences between male and female student work patterns have changed in the last two decades, with young male students obtaining part-time jobs in what were traditionally 'women's' work: personal service and care jobs in the sectors above and in personal care and cleaning jobs in the public sector. Male part-time employment has grown significantly in the same period, polarised between student and 'end of working life' age groups: under 25 and over 55 years old. But how does the student labour market in the UK work?

Paid work among the 2006 cohort of full-time HE entrants

At Stage 2, when students had completed their first year in HE, two pieces of multivariate analysis were conducted on the data to assess how various factors affect the working habits of Stage 2 students during term. A logistic regression framework was adopted in order to model a) whether the students did any paid work during term time, and b) whether those who worked did so for more than 16 hours per week. The independent variables included in these analyses were social group, age-group, type of higher education institution attended, levels of prior educational achievement required for entry for members of their cohort, subject of study, and a set of variables assessing students' opinions about their course. Most of the coefficients included in the analyses were found to be statistically significant, with those doing subjects with the heaviest timetabled workloads, like medicine and science subjects, least likely to do substantial paid work. Those doing subjects based more on independent study, such as social sciences and humanities, were most likely to have paid work and in addition, there was a strong negative relationship between prestige and competitiveness of the university and propensity to have paid work during term, and a similar relationship between socio-economic background and paid work. In summary, the least educationally and socially advantaged were the most likely to do long hours of paid work during study (See Purcell *et al.*, 2008, Chapter 4 and Appendix 2).

Figures 3 and 4 show this clearly. Figure 3 shows the linear relationship between social background and average hours worked. If we select only those in the top category and only those in the bottom one, we find that a third of those from higher managerial and professional backgrounds⁶ undertook paid employment during term and of those, just over a quarter worked for more than 16 hours per week. In comparison, 46 per cent of those from routine manual backgrounds did paid work during term, and of those, a third (33 per cent) worked for more 16 hours per week.

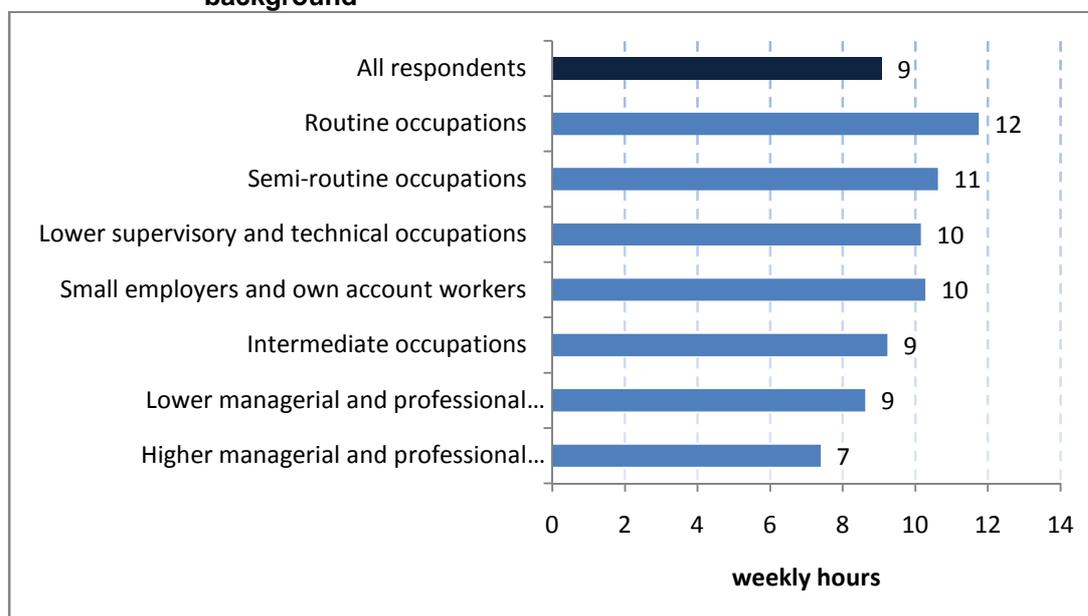
Figure 4 shows the relationship between the average number of hours worked per week and the category of HEI attended, shown to be a statistically significant variable in the multivariate analyses and reflecting the complex inter-relationship of socio-economic background, access to HE and subject studied. Those studying subjects designed for entry to the established professions and involving scientific and mathematical skill development, and those studying subjects where the greatest study

⁵ Annual Population Survey

⁶ Defined on the basis of their parents' occupational statuses when they were 14 years of age, the stage at which key decisions about educational trajectories to be followed are made in the UK.

demands were reported, in terms of both time-tabled classes and practical work and hours spent on coursework or study, were most often found in the Highest Tariff universities and the Specialist HEIs.

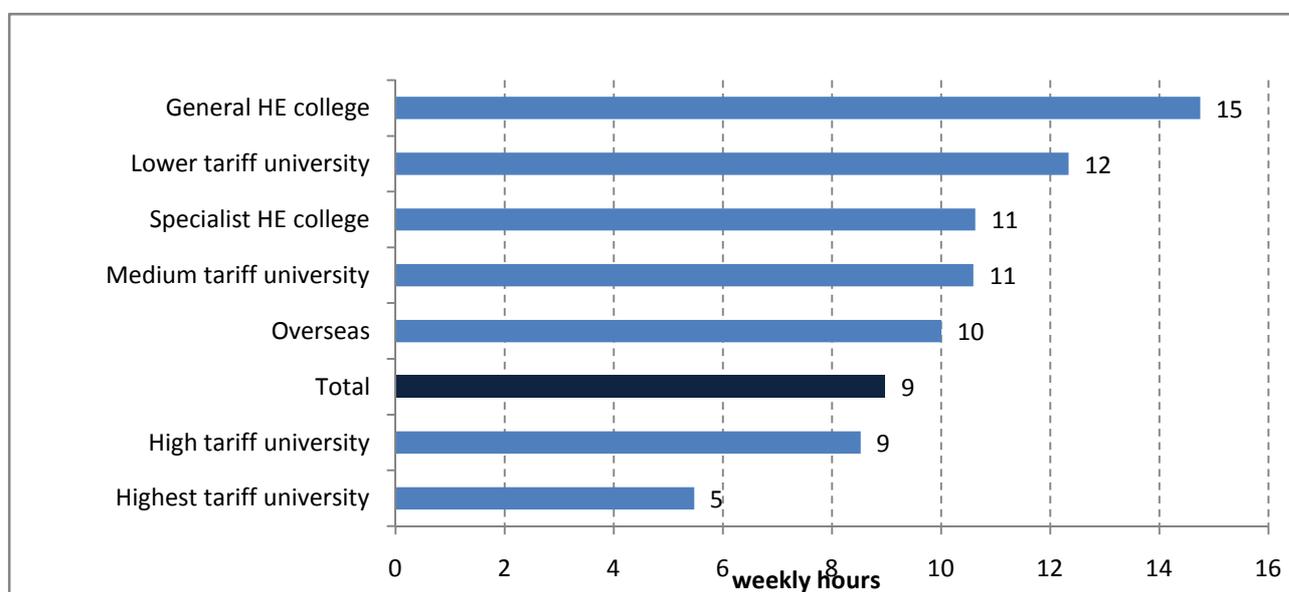
Figure 3: Paid work during term: average weekly hours* worked by socio-economic background



Source: Futuretrack 2006: combined Stages 1&2 dataset, all UK-domiciled current students who entered higher education in 2006 and did paid work during term, weighted

* N.B. percentages refer to those who reported undertaking paid work in first year of study.

Figure 4: Paid work during term: average weekly hours by HEI category

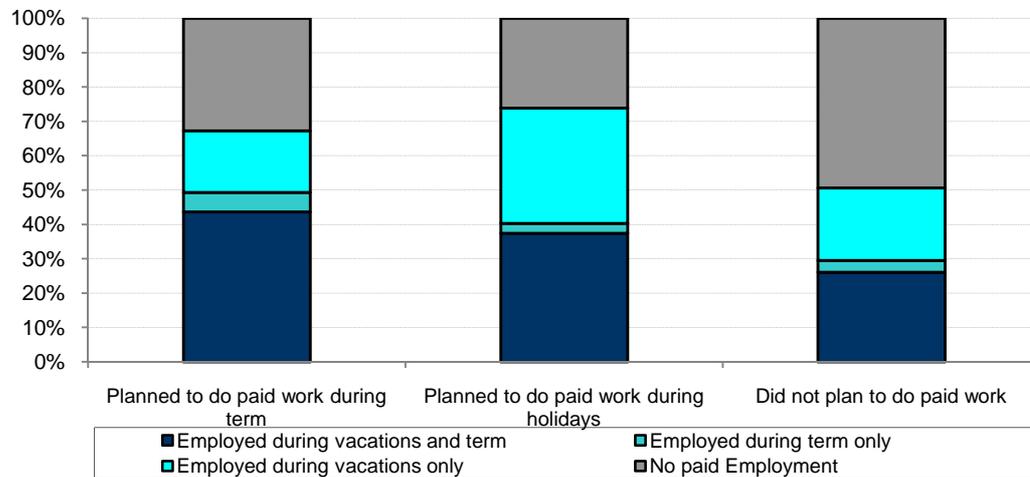


Source: Futuretrack 2006: combined Stages 1&2 dataset, all UK-domiciled current students who entered higher education in 2006 and did paid work during term, weighted

Comparison of intentions to do paid work in their first year of study and what had actually happened showed substantial differences, as Figure 5 shows. Only half of those who had planned to do paid work during term time to supplement their funding did so, while 40 per cent of those who planned only vacation work to supplement other sources of funding did in fact do paid work during term and in total,

a slightly higher proportion of them did paid vacation work in vacations only. Of those who did not plan to supplement their funding with paid work, 30 per cent nevertheless worked during term and a further 20 per cent during vacations.

Figure 5: Relationship between plans to do paid work during term and vacations prior to start of course, and actual paid work reported in first year



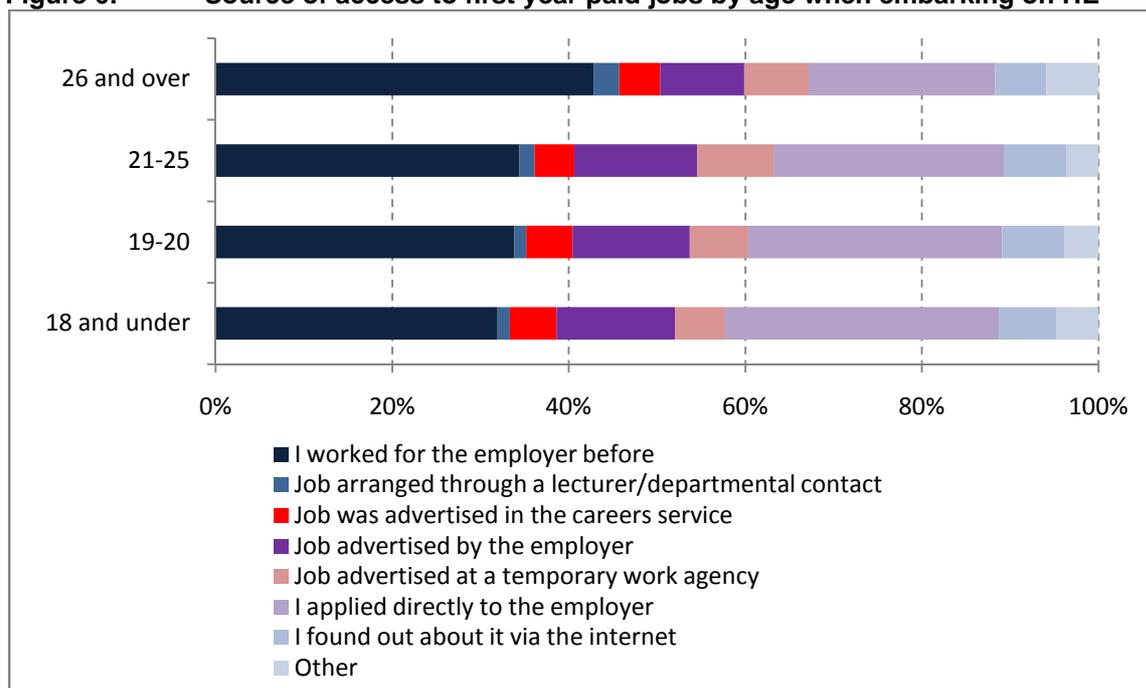
Source: Futuretrack 2006: combined Stages 1&2 dataset, all UK-domiciled current students who entered higher education in 2006 and did paid work during term, weighted

We need to explore further why a significant proportion of those who anticipated that it would be necessary and possible to do paid work to contribute to their costs did not do so. To an extent, these discrepancies relate to reasons for doing paid work. As was discussed at the beginning of this paper, there are a range of pressures on students to work during term, not only financially, but in terms of the injunction to respond to the repeated research finding that students with work experience have greater success in obtaining appropriate employment after graduation and policy-makers' and employers' assertions that evidence of 'employability skills', as well as particular skills and knowledge, are highly valued by them in selection of recruits. It seems that most students who seek paid employment during their studies are able to obtain it, but some were not; some who did not plan to do paid work found it financially necessary to do so; few found work that was relevant to their studies.

How does the 'student-labour' market work? Do students simply constitute additional job-seekers competing with other job-seekers for employment that meets their needs in the general low-skilled or part-time labour markets, or do they have routes into jobs or opportunities and obstacles that are different to the average non-student seeking such work, or access to different parts of the labour market? Previous research has shown that employers in some sectors, such as hospitality and call centres, advertise in HEIs and construct jobs around the availability of student labour (Koene *et al.*, 2002; Purcell *et al.*, 1999) and we found some evidence of this in the Stage 1 survey, with secondary school students with part-time chain store retail experience being encouraged by the home-based employers to transfer to part-time employment in their HEI city of choice and even to select their HEI on the basis of store location.

In fact, at Stage 2, we found that around half of first year students who had done paid work had worked for their employer before, and that the probability of this rose by age, as Figure 6 shows, ranging from 46 per cent of those aged 18 or under when they embarked on HE to 59 per cent of those aged 26 and over.

Figure 6: Source of access to first year paid jobs by age when embarking on HE



Source: Futuretrack 2006: combined Stages 1&2 dataset, all UK-domiciled current students who entered higher education in 2006 and did paid work during term, weighted

The other most frequently mentioned source of employment was by application directly to the employer, but in addition their HEI 'job shop' or careers service and temporary work agencies were also important routes. A substantial minority (one in ten) had found their job via the internet. Only around 2 per cent of these first year students had obtained their paid work via a lecturer or departmental contact. Other routes to paid work mentioned in substantial numbers of cases included personal contacts (via a friend or relative), through their universities as employees, via self-employment, individual advertising of availability to work, and as a result of doing voluntary work.

Student 'job shops' have become increasingly common at UK HEIs, and some are actually commercial agency franchises. In Spain universities have set up their own agencies in order to facilitate the entrance of their graduates into the labour market and operate labour pools to bind promising staff to the institution. The US also reports internship programs and cooperative education programs where the university acts as a mediator for temporary employment relationships between user firms and students, which may change into a permanent position after HE has been completed. These programs are widespread with 91 per cent of US universities offering unpaid internships and more than half providing coop-programs and paid internships.

In earlier research on temporary work agency (TWA) services (Purcell *et al.*, 2009) we found examples of such agencies targeting HE students as potential part-time workers, widespread advertising of vacancies in Students' Unions and on university campuses, and examples of call centres being set up near to, and in one case on, university campus, to capitalise on the multilingual population of potential shift-workers for their 24 hours a day, 7 days a week services. These are enterprising policies on the part of employers and welcomed by students although it is clearly the case that paid work during studies, particularly where it is regularly undertaken for 16 hours a week or more, places stresses on students that reduce their academic performance, the quality of their lives and their capacity to benefit fully from the experience of being a student and that, furthermore, these students are disproportionately from socially and educationally disadvantaged backgrounds. Thus encouraging and facilitating student employment alongside study largely obstructs, although it may sometimes facilitate, the impact of HE participation on increasing equality of opportunity.

The TWA industry in the UK is now a relatively mature fixture of the labour market. The proportion of 'involuntary' temporary workers (who say they are seeking permanent employment) has fallen in recent years; this is likely to reflect the increased participation of students in temporary work, as a

consequence of changes in the higher education funding discussed above. 'Involuntary' temporary working has consistently been higher among agency temps than for other temporary workers and remains so: just under half compared with 30 per cent of the temporarily-employed workforce as a whole in 2000 (Purcell and Cam 2002: 22 Figure 4). It is, however, consistent with the policy of agencies in moving into the 'temp to perm' market, since job seekers may increasingly find it necessary to access employment opportunities through an agency to gain permanent work with the employer of their choice, and our work on the student transition from HE to employment provided evidence of employers' 'careful recruitment' of graduate entry posts – employing new graduates via TWAs initially and offering permanent jobs to those deemed to fill their requirements most closely in terms of specific skills, work ethic and wider interpersonal and self-management skills and personality.

The general agencies, in particular, were concerned to manage their own need for a flexible labour supply, by attracting a pool of workers who were not necessarily seeking continuous employment but who could be relied upon to amplify the workforce during periods of high demand without becoming alienated during the low demand phases. In the UK-based general TWAs studied, local employment advisers described how they nurtured relationships with students and others who positively required employment flexibility and preferred discontinuous work: older workers, mothers with school-age children who preferred to avoid paid work commitments during school holidays and others who were prepared to trade the disadvantages of employment insecurity for the ability to, themselves, be unpredictable. They advertised for temporary workers in venues likely to attract such workers; student unions, local newspapers, door-to-door leafleting and parish magazines in areas of routine labour shortages. One UK branch manager told us:

'Some [of the people on their database] are clearly not looking for a permanent job, for whatever reason. A lot of them might be students or recent graduates who might be looking to earn money over a gap year. It might be individuals who have a part time business, or a part time job and they just need something else to keep them going while they run their business in the evening. Some of them are people who don't even need to work, but want to work to "keep their hand in". The others are people who have something else going on outside of their working life that gives them an income of some sort, but which means they cannot get a permanent position because that would affect whatever they are doing ...[For example] we have two actresses, always looking for the big break - and they don't want to take a permanent job in case that big break comes along, so they are happy temping'. (International TWA local branch manager).

Such candidates, where they had sought-after skills, were nurtured because, along with students and other more predictable peripheral workers, they could often be both relied upon to work at short notice, and to 'take some time out' or to work for another agency when demand was slack, were unlikely to be concerned about longer-term conditions of employment or human resources practices in the organisations in which they were placed, and unlikely to be handicapped by domestic responsibilities (as in the case of the other most common source of part-time workers, working mothers of dependent children or others with caring responsibilities).

Discussion

There has been very little research undertaken in the UK and, almost certainly, other developed countries, on the impact of student part-time employment on disadvantaged workers, although there is plenty of evidence of employer preference and deliberate targeting of student labour for part-time work. The analysis undertaken by Munro *et al* (*op cit.*) is inconclusive, and indicates that to a considerable extent, student growth has brought with it the need for new and different services in the localities in question which may not displace existing opportunities for local job-seekers but create opportunities that did not previously exist as well as inherent part-time work for the student population itself. However, there can be little doubt that students are also filling jobs that could be done by considerably less highly qualified employees. Particularly during periods of economic downturn, their willingness to undertake such work is likely to impact negatively on less advantaged. In the current recession in the UK, students are likely to continue to be preferred by employers and employment intermediaries, and this trend is positively reinforced in a context where the government continues to aim for increasing access to HE to 50 per cent of under-30s and older 'returners'. The Futuretrack study that we are undertaking at Warwick will enable us to assess the impact of student work on both

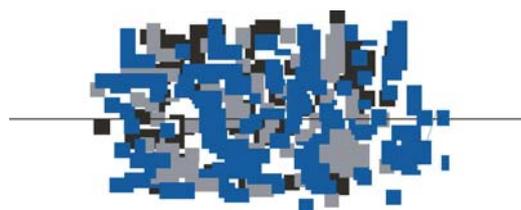
academic achievement and labour market integration more systematically than has ever been possible in previous research, but it will not address this major question. Those researching labour market change need to pay more attention to the impact of student employment in urban labour markets, particular employment sectors and occupations, and their impact on the workforce and job-seeker profiles of this activity. On this, a comparative international study could be interesting.

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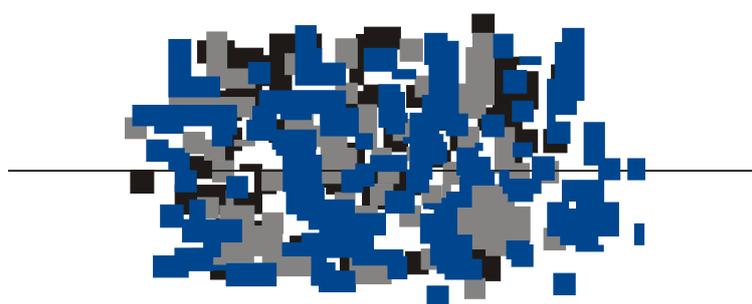
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