

Is there a role for higher education institutions in improving the quality of first employment?

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Key words: [course composition](#), [graduate labour market](#), [over-skilling](#), [overeducation](#), [recruitment](#)

The problem of graduate employment

As labour market transitions for young people have become increasingly difficult in the past decade, alongside the growing population of university graduates, can HEI do more to help young people find their first job?

We focused on the labour market transitions of European university graduates and examined the factors influencing the likelihood of newly qualified university graduates becoming mismatched on entering the labour market.

The forms of mismatch considered are overeducation and over-skilling, whereby individuals are deemed to have education or skills in excess of those required in their current jobs. Both over-skilling and overeducation have consistently been found, in a large number of international studies, to be associated with lower wages and lower job satisfaction.

We explored the potential role of universities in reducing the extent of graduate mismatch through both the manner in which education is delivered within degree programmes and the part played by third-level institutions in smoothing the transition of graduates to the labour market. We addressed two key research questions:

- Is graduate mismatch related to the nature of the route into employment? Are certain modes of entry more heavily correlated with overeducation or over-skilling and do universities have a role in alleviating this?
- To what extent is labour market mismatch related to the variations in the structure of university degree programmes?

Higher education institutions have an important role to play

Graduate higher education work placements with the potential to develop into permanent posts provide an important route into the labour market. Assistance with job placements also has very substantial impacts in reducing the incidence of graduate overeducation and over-skilling.

Our research supports the view that by strengthening links with employers and investing more heavily in career-support functions, universities and other third-level institutions can play an important role in matching graduates with jobs.

Higher education institutions can also play an important role in terms of educating students in the jobsearch methods they should use and avoid. For example, the study shows that the use of private employment agencies significantly heightens the risk of subsequent mismatch.

With respect to course composition, we find clear evidence that a higher concentration of work-related components such as research projects, work placements, the acquisition of facts/practical knowledge and project/problem-based learning can reduce the probability of graduate mismatch in the first graduate job.

As the number of vocational course components in a degree programme increases, the probability of mismatch in a first job decreases.

The pay-off to increasing the practical aspects of programme delivery appears largest in degree courses that are generally classified as more academic in nature, suggesting that practical learning approaches and placements should be a key component of all European degree programmes, irrespective of field of study.

References

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McGuinness, Seamus. Adele Whelan and Adele Bergin. 2016. 'Is there a role for higher education institutions in improving the quality of first employment?' *The B.E. Journal of Economic Analysis & Policy* 16 (4). doi: <https://doi.org/10.1515/bejeap-2016-0174>.