



DESTINATIONS OF LEAVERS FROM HIGHER EDUCATION

Analysis of 2016/17 data

August 2018

INTRODUCTION

This briefing contains analysis of the latest data from HESA's annual Destinations of Leavers from Higher Education (DLHE) survey which covers the period of 2016/17. The report focuses on the results from graduates in Business & Administrative studies. The DLHE survey collects data from successful leavers of Higher Education six months after the completion of their studies. The data is obtained through a survey which is centrally defined by HESA and managed locally by Higher Education Institutions.

The questions in the DLHE include the following topics about a graduate's current situation after completing their degree:

- Current activity
- Details of employment status
- Salary from main employment
- Further study status

The data in this report is taken from the Heidi Plus business intelligence reporting tool and compares the results for first degree UK-domiciled graduates in Business & Administrative studies with those from other subject areas for the reporting year of 2016/17. Longer-term trends since 2011/12 are also highlighted where relevant.

This year's DLHE results will be the last under the existing survey format due to the impending launch of the Graduate Outcomes Survey which will report on graduates' circumstances approximately 15 months after graduation as opposed to after six months under DLHE. The first Graduate Outcomes Survey will run in December 2018 with data published in January 2020.

In addition to the existing questions from the DLHE survey, the Graduate Outcomes survey will ask new questions to provide a richer picture of the diversity of graduate outcomes and to redefine how we understand graduate success. These new 'graduate voice' measures capture three areas:

- Meaningfulness or importance of the activity to the graduate
- Skills utilisation
- The graduate's progress towards future goals

The new survey also aims to gather deeper insights into graduates pursuing non-traditional career paths, such as those developing creative portfolios or setting up a business.

SOURCE OF DATA

Source of data

The data used in this survey, unless otherwise stated, is from the Higher Education Statistics Agency, Destinations of Leavers from Higher Education records for 2011/12 to 2016/17, sourced via the Heidi Plus online analytics service. Copyright Higher Education Statistics Agency Limited. The analysis was undertaken by the Chartered Association of Business Schools in July 2018.

Disclaimers

Neither the Higher Education Statistics Agency Limited nor HESA Services Limited can accept responsibility for any inferences or conclusions derived by third parties from data or other information obtained from Heidi Plus.

While the Chartered ABS strives to make the information in this report as accurate as possible, the Chartered ABS makes no claims, or guarantees about the accuracy or completeness of the data obtained from HESA.

FINDINGS

Employment status of UK-domiciled higher education leavers by subject area

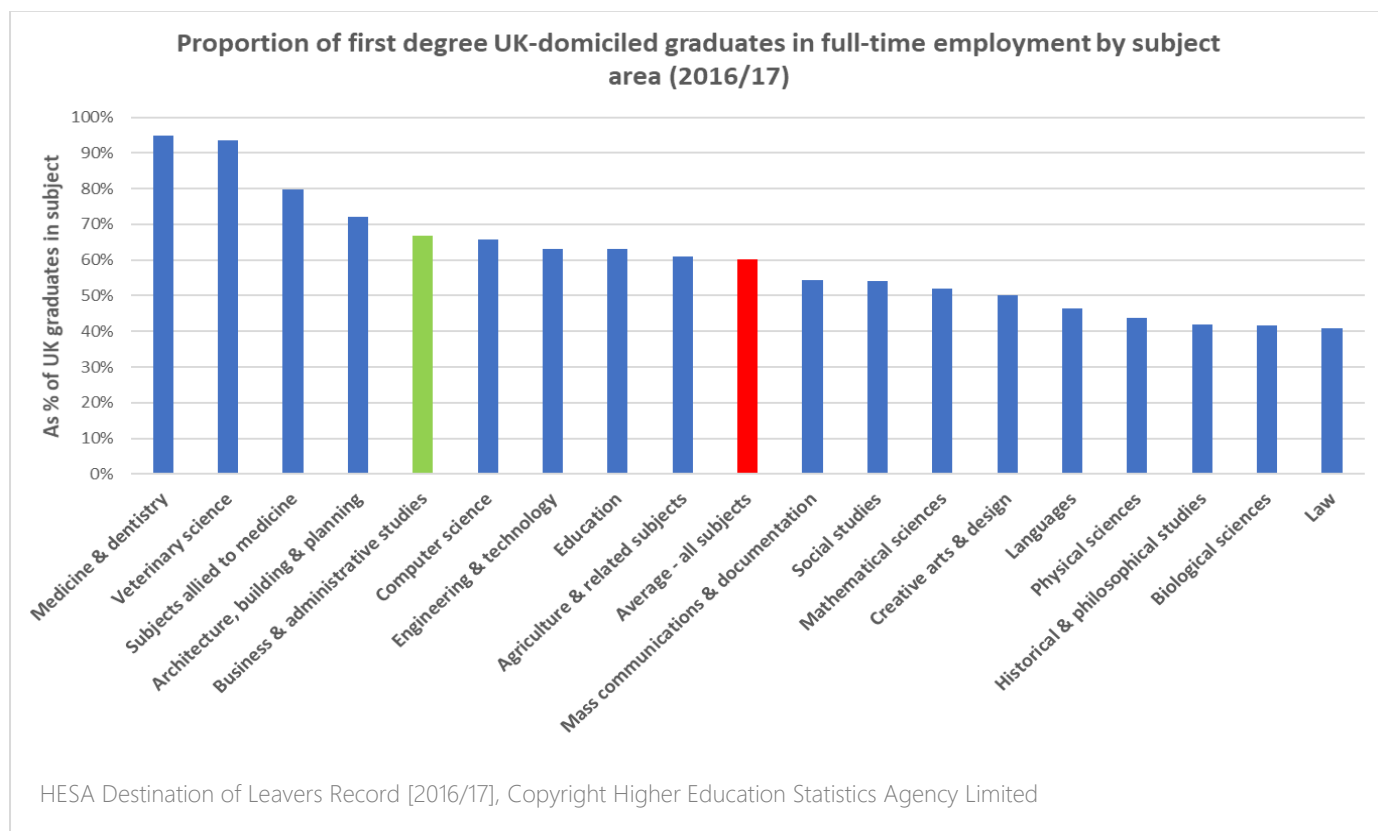


Figure 1. Proportion of first degree UK graduates in full-time employment by subject area¹

- Figure 1 shows that Medicine & Dentistry and Veterinary Science have by far the highest rates of employment, with 95% of first-time UK-domiciled graduates from these subjects being in full-time employment six months after graduating.
- The Business & Administrative Studies subject area has the fifth highest rate of full-time graduate employment, with 67% of UK-domiciled graduates obtaining full-time employment within six months. This is above the average of 60% for all subject areas and 3% higher than the proportion recorded six years previously.

¹ Based on UK-domiciled first degree leavers completing full-time or part-time courses and stating that full-time employment was their most important activity at the time of completing the DLHE questionnaire.

- Of the 33% of UK-domiciled graduates in Business & Administrative Studies not in full-time employment, 10% were in part-time employment, 12% were engaged in either full-time or part-time study and only 5% were unemployed².
- Across all subject areas, the average proportion of UK-domiciled graduates in full-time employment six months after graduating has increased from 57% in 2011/12 to 60% in 2016/17, but some subject areas have seen increases well above the average during this period: Subjects Allied to Medicine (+10%), Veterinary Science (+8%), Agriculture & related subjects (+8%) and Architecture, Building and Planning (+8%).

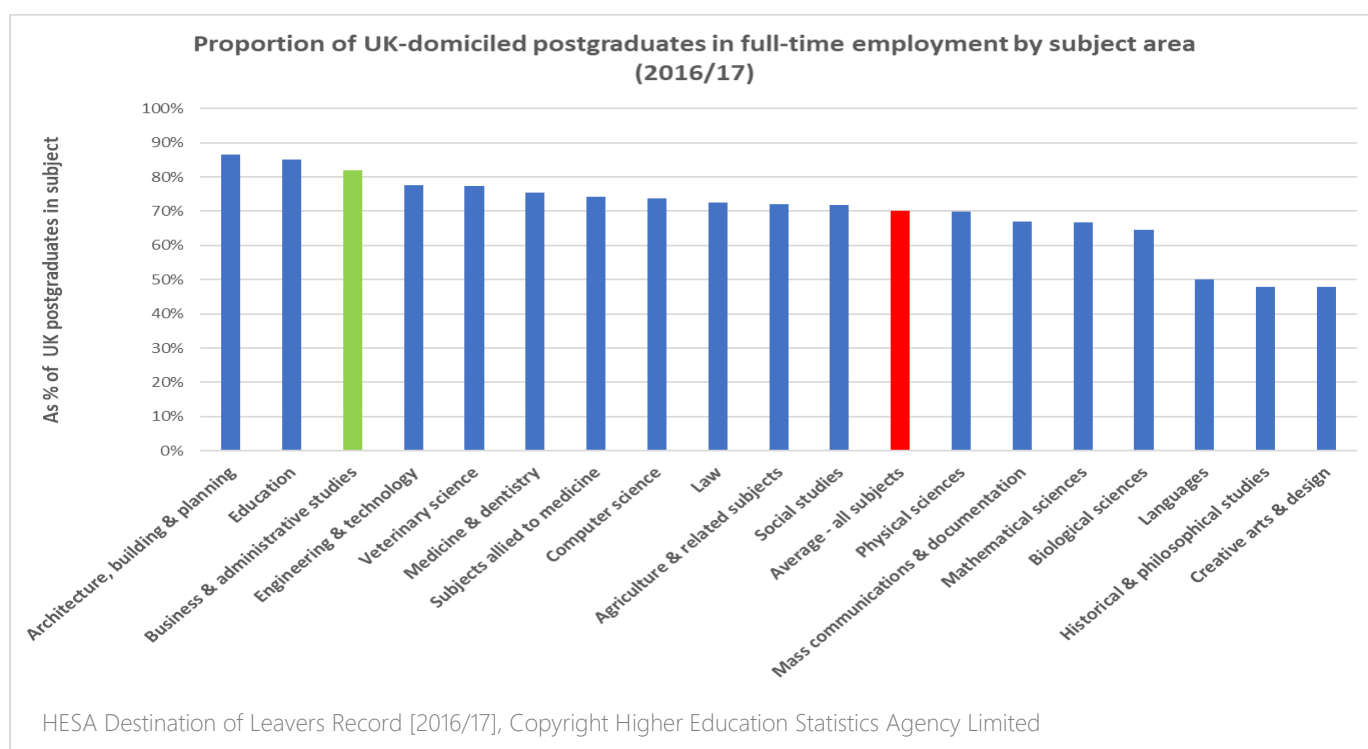


Figure 2. Proportion of UK postgraduates in full-time employment by subject area³

- The Business & Administrative Studies subject area has the third highest proportion of UK-domiciled postgraduates in employment six months after completing their course (82%), which is above the average of 70% across all subject areas.
- The highest rates of full-time employment for UK postgraduates are found in the subjects of Architecture, Building & Planning and Education, which is partly reflective of the fact that those

² Very small proportions were recorded as either 'doing something else' (2%), 'due to start a new job in the next month' (1%) or 'taking time out in order to travel' (3%).

³ Based on UK-domiciled postgraduate leavers completing full-time or part-time courses and stating that full-time employment was their most important activity at the time of completing the DLHE questionnaire.

obtaining a first degree in these subjects frequently decide to pursue an associated professional qualification before starting their career in the workplace.

- Since 2011/12 the proportion of postgraduates in Veterinary Science, and Architecture, Building & Planning obtaining full-time employment has increased by 12% and 11%, respectively, whereas the proportion for postgraduates in Business & Administrative Studies has been static.

Salary of UK-domiciled higher education leavers by subject area

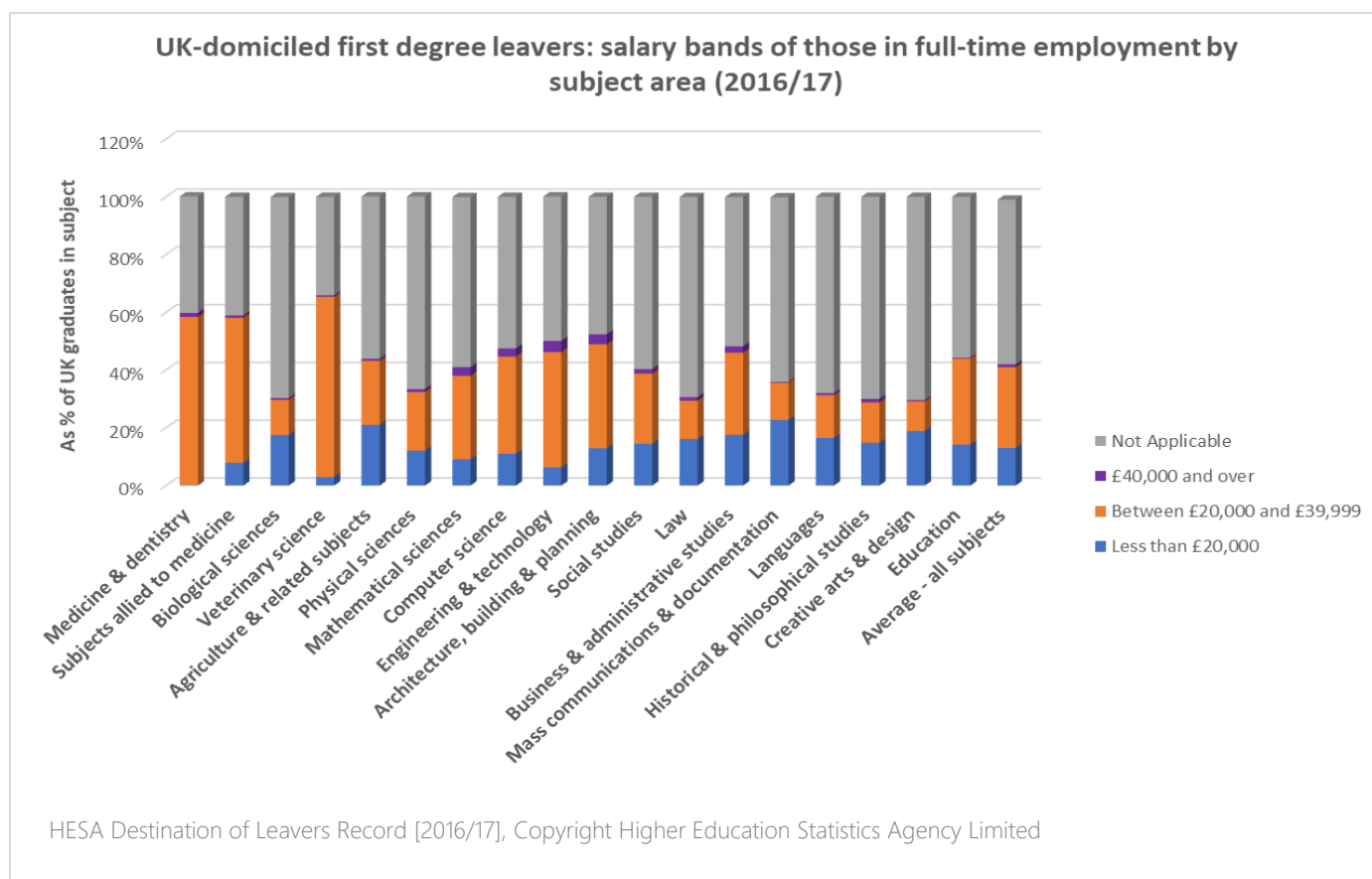


Figure 3. Salary bands of first-time UK graduates in full-time employment as proportion of graduates in each subject area⁴

- The Veterinary Science subject area has the highest proportion of UK-domiciled graduates earning between £20,000 and £39,999 six months after graduating (63%), followed by Medicine & Dentistry (58%) and Subjects Allied to Medicine (50%).
- For Business & Administrative Studies 28% of graduates earn between £20,000 and £39,999 within six months of completing their studies, which is exactly the same as the average across all subjects.
- The subjects with the highest proportions of graduates earning £40,000 or more are Engineering & Technology (4%), Architecture, Building & Planning (4%), Mathematical Sciences (3%), Computer Science (3%) and Business & Administrative Studies (2%).

⁴ Based on UK-domiciled first degree leavers completing full-time or part-time courses and stating that they were in full-time paid employment at the time of completing the DLHE questionnaire.

- The highest percentages of graduates earning less than £20,000 six months after leaving higher education can be found in Mass Communications (23%), Agriculture & related subjects (21%) and Creative Arts & Design (19%).
- The 'Not Applicable' responses recorded on the graph refer to respondents without salary data either because they were not in employment at the time the DLHE was completed or because they did not disclose their salary.
- As would be expected, salaries for UK graduates have increased over the last six years. For the 2011/12 cohort of UK graduates across all subject areas, 22% earned between £20,000 and £39,999 but for the 2016/17 cohort 28% had a salary within this range.
- The following subject areas saw particularly large increases in the proportion of UK-domiciled graduates earning between £20,000 and £39,999 compared to the 2011/12 cohort: Subjects Allied to Medicine (+12%), Agriculture & related subjects (+11%), Architecture, Building & Planning (11%) and Business & Administrative Studies (+9%).

Further study status of UK-domiciled first degree leavers by subject area

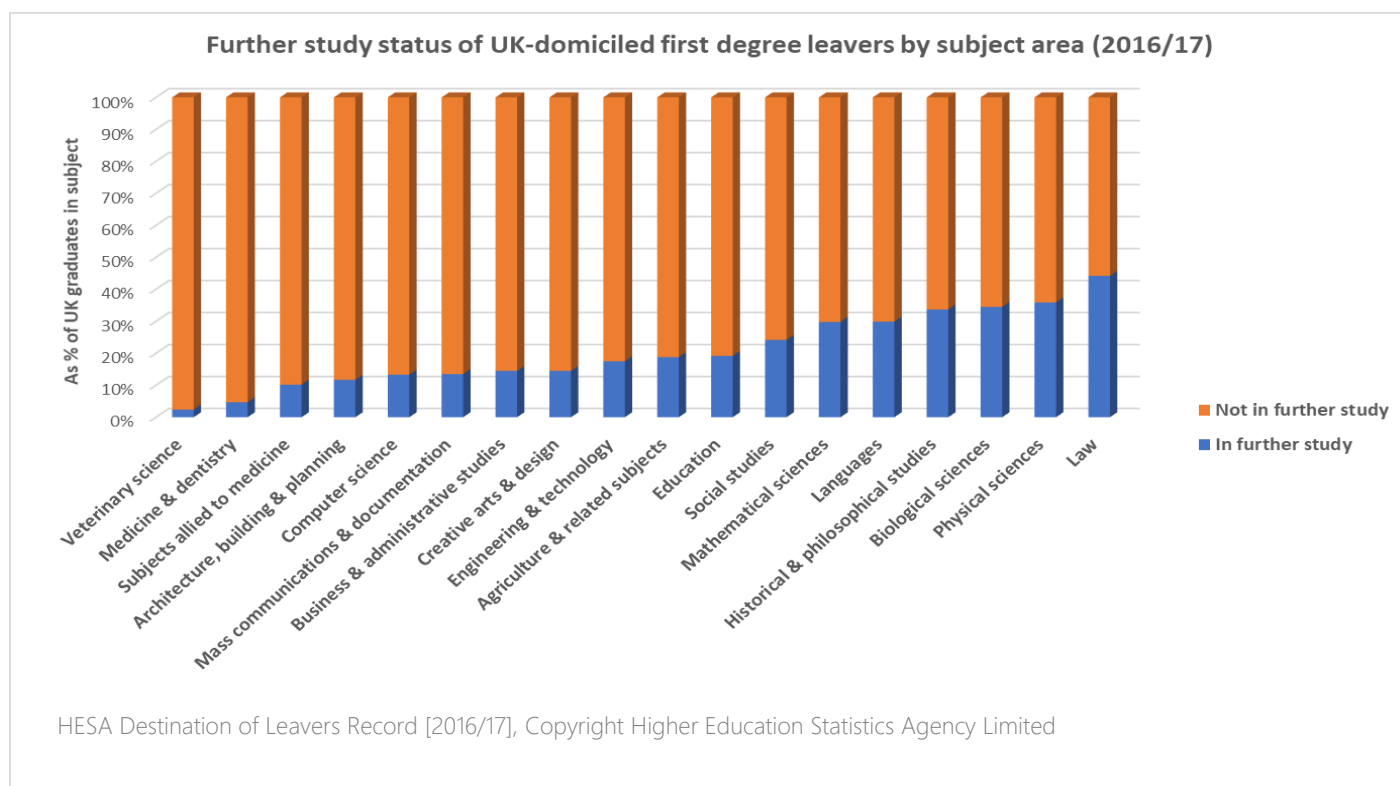


Figure 4. Further study status of UK-domiciled first degree leavers by subject area⁵

- Figure 4 displays for each subject area the proportion of UK-domiciled first degree leavers pursuing further study and the proportion not in further study six months after graduating. For the majority of subjects less than 20% of UK-based graduates enter further study and for Business & Administrative Studies only 15% of graduates in 2016/17 made this choice.
- Further study is much more prevalent in the following subject areas: Law (44% of UK-domiciled graduates in 2016/17), Physical Sciences (36%), Biological Sciences (35%), Historical & Philosophical Studies (34%), Languages (30%) and Mathematical Sciences (30%).

⁵ Based on UK-domiciled first degree leavers completing full-time or part-time courses.

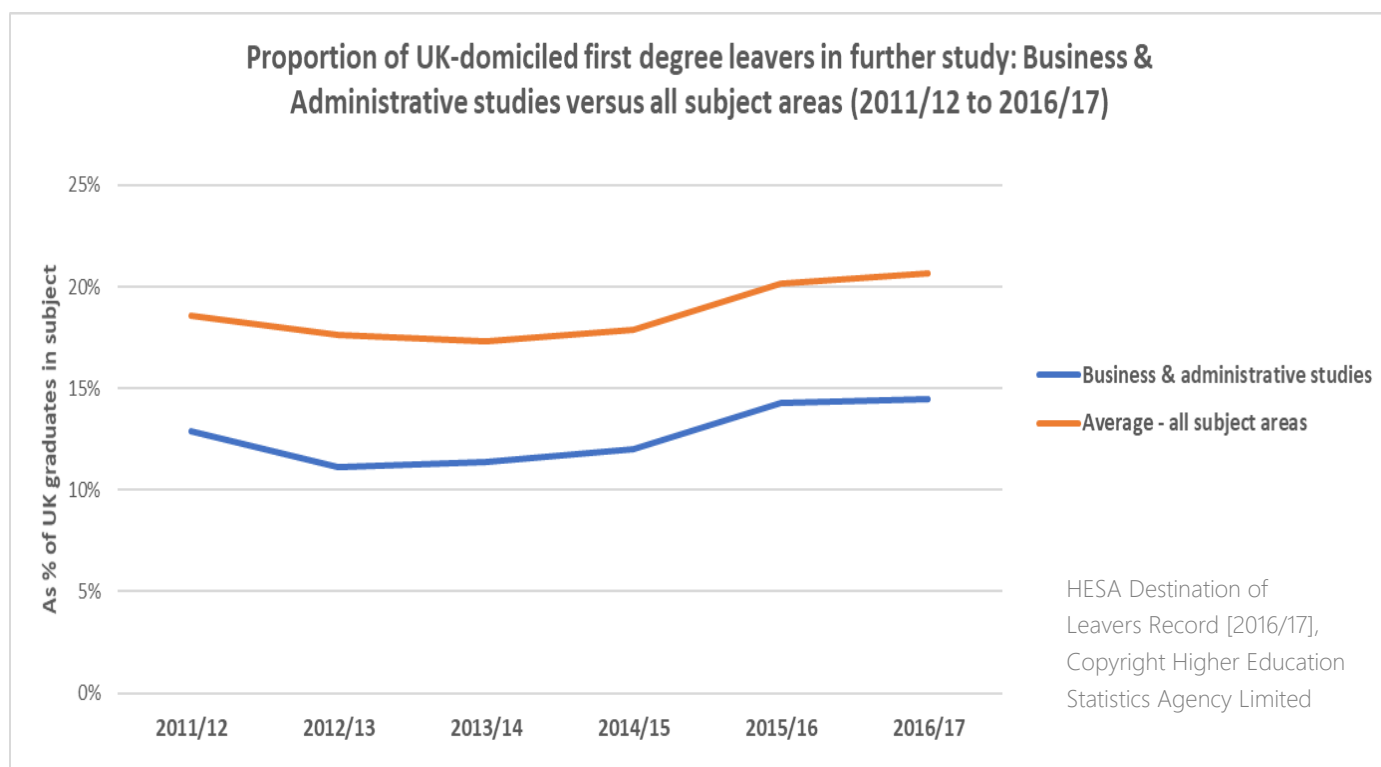


Figure 5. Proportion of UK-domiciled first degree leavers in further study: Business & Administrative Studies versus all subject areas (2011/12 to 2016/17)

- Figure 5 reveals that the number of UK-domiciled first degree leavers deciding to embark on further study is increasing. For the 2013/14 group of UK-domiciled graduates across all subject areas, 17% chose to enter further study but this has increased for each graduate cohort since, with 21% of graduates in 2016/17 choosing further study.
- The data for UK-domiciled graduates in Business & Administrative Studies largely reflects the wider trend across all subjects. Only 11% of UK graduates in Business & Administrative Studies in 2012/13 opted for further study compared to 15% of the 2016/17 cohort.

Further study – type of courses chosen

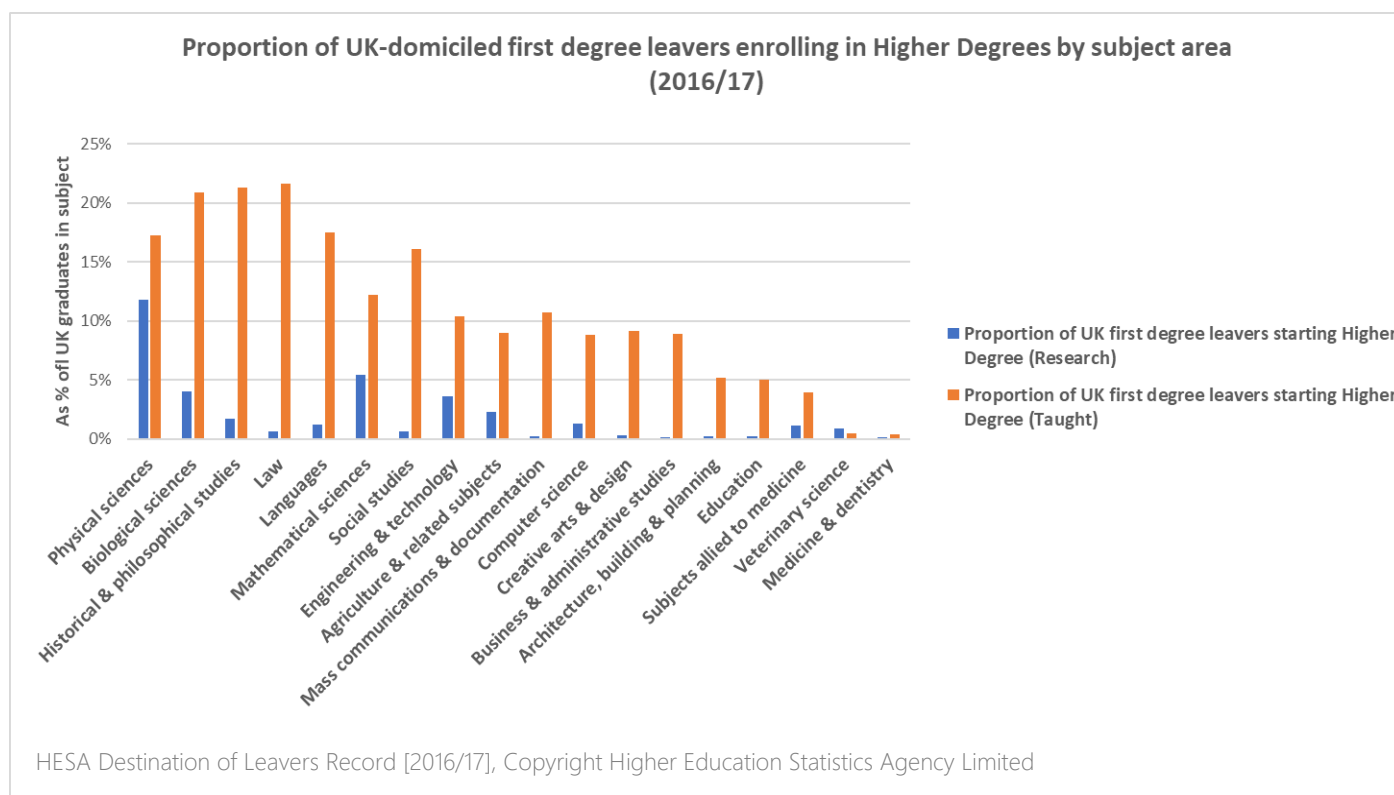


Figure 6. Proportion of UK-domiciled first degree leavers enrolling in higher degrees by subject area⁶

- Figure 6 depicts the percentage of UK first degree leavers enrolling in research-focused (e.g. PhDs) and teaching-focused (e.g. Master's) higher degrees for each subject area in 2016/17. Research-focused higher degrees are rarely pursued by graduates in any subject.
- The exception is Physical Sciences where 12% of UK-domiciled graduates opted for a higher degree in research in the most recent year. Only 0.1% of UK graduates in Business & Administrative Studies enrolled in a research-focused higher degree in 2016/17.
- In contrast higher degrees that are primarily teaching-based are much more prevalent, particularly in Law, Historical & Philosophical Studies and Biological Studies, with around 20% of UK-domiciled graduates from each of these subjects choosing to continue their studies via a taught higher degree.
- Recent UK graduates in Business & Administrative Studies are less likely to take the path of a teaching-based higher degree such as a Master's than graduates in many other subjects,

⁶ Based on UK-domiciled first degree leavers completing full-time or part-time courses and stating that they were undertaking further study at the time of completing the DLHE questionnaire.

with only 9% opting for this type of qualification within six months of graduating, far lower than in subjects such as Law or Historical & Philosophical Studies.

- There are several factors likely to influence whether a recent graduate chooses to undertake a higher degree, including any requirement for such a qualification in order to begin a professional career in their chosen field. For example, many graduates in Law will undertake a legal practice course to become a solicitor.
- Graduates in Business & Administrative Studies will not necessarily require an additional qualification in order to pursue a particular vocation related to their field (e.g. Marketing) and the MBA path is not usually open until they have acquired at least two years' work experience.

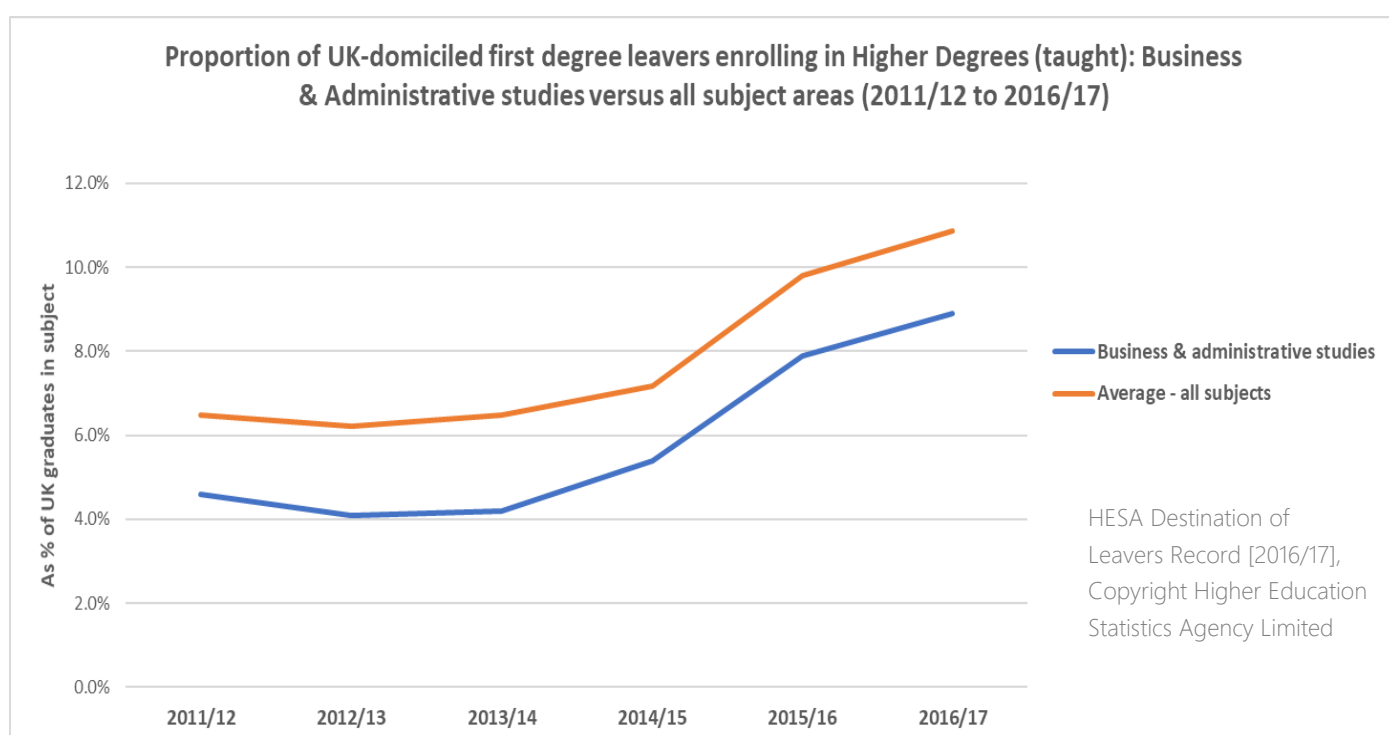


Figure 7. Proportion of UK-domiciled first degree leavers enrolling in higher degrees (taught): Business & Administrative Studies versus all subject areas

- Figure 7 shows that the proportion of UK graduates choosing a taught higher degree has increased quite significantly over the last three years. From the 2013/14 cohort of UK-based graduates in Business & Administrative Studies only 4% decided to enrol on a teaching-based higher degree whereas 9% of the 2016/17 cohort opted for such a course.
- This mirrors a wider trend observed across all subjects since 2013/14, with the percentage of UK-domiciled graduates choosing to continue their studies via a teaching-focused higher degree increasing with each annual cohort.

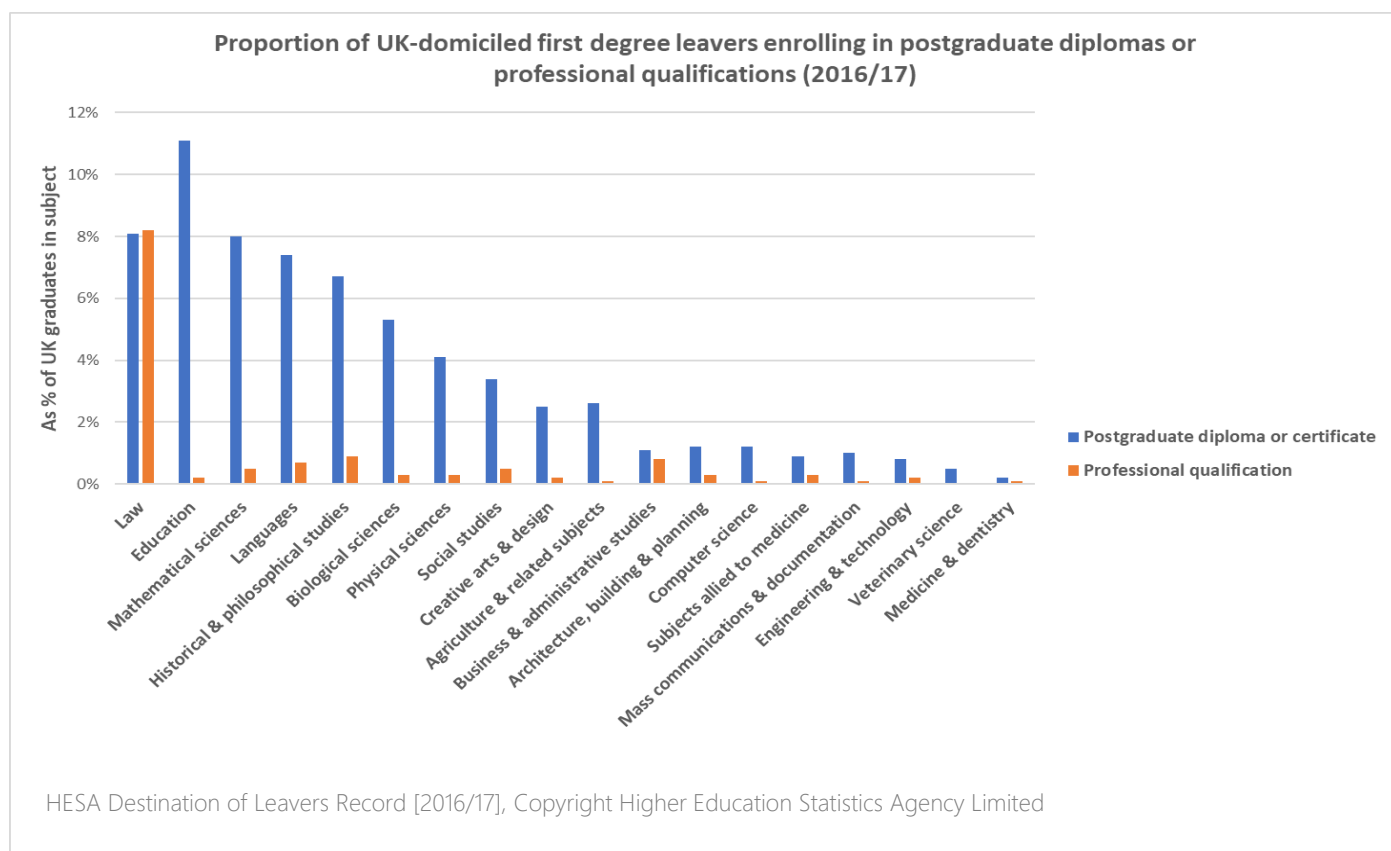


Figure 8. Proportion of UK-domiciled first degree leavers enrolling in postgraduate diplomas or professional qualifications by subject area⁷

- As shown in figure 8 it is rare for recent UK-based graduates from any subject to undertake a professional qualification soon after obtaining their first degree, with the exception of Law where 8% chose this type of course in 2016/17.
- Postgraduate diplomas are a much more common choice, particularly for graduates from subjects in Education (11%), Law (8%), Mathematical Sciences (8%), Languages (7%) and Historical & Philosophical Studies (7%). Very few graduates in Business & Administrative Studies enrol in a postgraduate diploma within six months of graduating.
- For most subjects it is reasonable to conclude that the immediate focus of recent graduates will be on obtaining employment and they will only consider postgraduate or professional qualifications after they have accumulated experience in the workplace, or when it becomes a requirement for their role.

⁷ Based on UK-domiciled first degree leavers completing full-time or part-time courses and stating that they were undertaking further study at the time of completing the DLHE questionnaire.

CONCLUSIONS

UK-domiciled first degree leavers and postgraduates in Business & Administrative Studies have good employment prospects

- Graduates from the Business & Administrative Studies subject area have the fifth highest rate of full-time employment six months after completing their course, with 67% of UK-domiciled graduates obtaining full-time employment and only 5% unemployed.
- The outlook is even better for those completing postgraduate qualifications in Business & Administrative Studies, as this subject area has the third highest proportion of UK-domiciled postgraduates in employment six months after completing their course (82%).
- However, the DLHE data does not suggest that the employment prospects for first degree leavers and postgraduates from courses in Business & Administrative Studies have improved at a faster rate than observed for leavers across all subject areas.

The salary commanded by first degree leavers in Business & Administrative Studies has increased above the general level of increase seen across all subject areas

- The proportion of UK-domiciled first degree leavers in Business & Administrative Studies earning between £20,000 and £39,999 has increased from 19% for the 2011/12 cohort to 28% for the most recent cohort, which is above the increase observed amongst UK-based graduates overall.
- Business & Administrative studies has the fifth highest proportion of first degree leavers earning £40,000 or more six months after graduation.

The vast majority of UK-based first degree leavers do not choose further study, but a teaching-based higher degree is an increasingly popular choice for those that do

- In 2016/17 only 15% of UK-domiciled graduates in Business & Administrative Studies opted for further study compared to much higher percentages in subjects such as Law (44%) and Physical Sciences (36%).
- For those choosing further study, a taught higher degree such as a master's has become a more common choice, with 9% of the 2016/17 UK graduate cohort in Business & Administrative Studies opting for this course, compared to only 4% in 2013/14.
- The DLHE data would suggest that graduates in Business & Administrative Studies and most other subjects are at too early a stage in their career to seriously consider postgraduate or professional qualifications.