

# The influence of the first job placement on long-term professional success of higher education graduates

Dublin, October 21<sup>st</sup>, 2015  
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# Structure

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1. Theoretical Background
2. State of Research
3. Data: Graduate Survey
4. Results
5. Conclusion

# Research Question(s)

- Is a bad job start a problem also for higher education graduates when looking at the later career?
- What are the factors that have influence on an adequate job ten years after graduation?

# 1. Theoretical Background

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- **Human capital approach** (Becker 1993):  
Loss of productivity
- **Signalling theory** (Arrow 1973, Spence 1973 & 1974):  
Low job position as a (potential) signal for low level of skills
- **Trigger events** (DiPrete 2002):  
Important events in the life course which potentially shape the future ways

## 2. State of Research

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- **First placement determines further career**  
(Blossfeld 1985, Bukodi et al 2008, Verhaest & van der Velden 2010)
- **“Stepping stone” and “entrapment”:**  
Low first job position can be a trap as well as an first step on the job ladder (Scherer 2004)
- **Scaring effects:**  
Job loss/unemployment have persistent negative effects on careers  
(Ruhm 1991, Jacobson/LaLonde & Sullivan 1993, Farber 1993 & 1997, Stevens 1997, Gregory & Jukes 2001, Brand 2003, Gangl 2004)

# 3. Data

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## DZHW Graduate Survey

- Panel and cohort design:
  - seven cohorts of higher education graduates included starting from 1989, then following every 4<sup>th</sup> cohort (1993, 1997, ...)
  - up to three panel waves that cover an observation window of approximately ten years after graduation
  - possibility to do intra- and inter-cohort analyses
  
- Target population
  - all German and non-German higher education graduates who successfully completed their first degree course (2009, 2013 incl. master courses)
  - entire range of subjects
  - nearly all types of higher education institutions (HEI with special features are excluded; they only comprise a small proportion of the population)

### 3. Data

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- Modes of data collection:
  - postal questionnaires
  - supplemented by short online surveys on particular topics (e.g., doctoral studies)
- Survey programme:
  - educational strategies, experiences, and outcomes, e.g., course of studies, academic achievement, further academic qualifications
  - occupational careers, experiences, and prospects, e.g., job history (using an event-history design), job search strategies, characteristics of the jobs
  - sociobiographical data and educational background prior to study

### 3. Data

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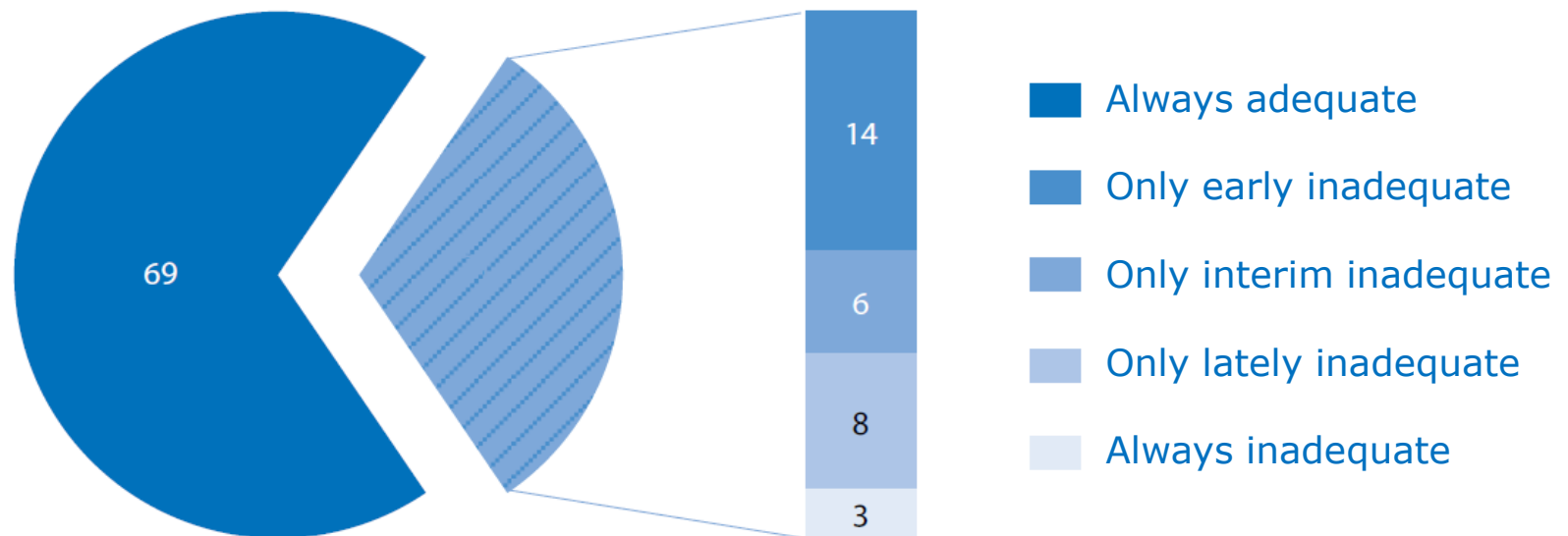
#### Sample sizes

	1 <sup>st</sup> wave	2 <sup>nd</sup> wave	3 <sup>rd</sup> wave
Cohort 1997	9,586	6,220	5,477
Cohort 2001	8,130	5,426	4,734



## 4. Results

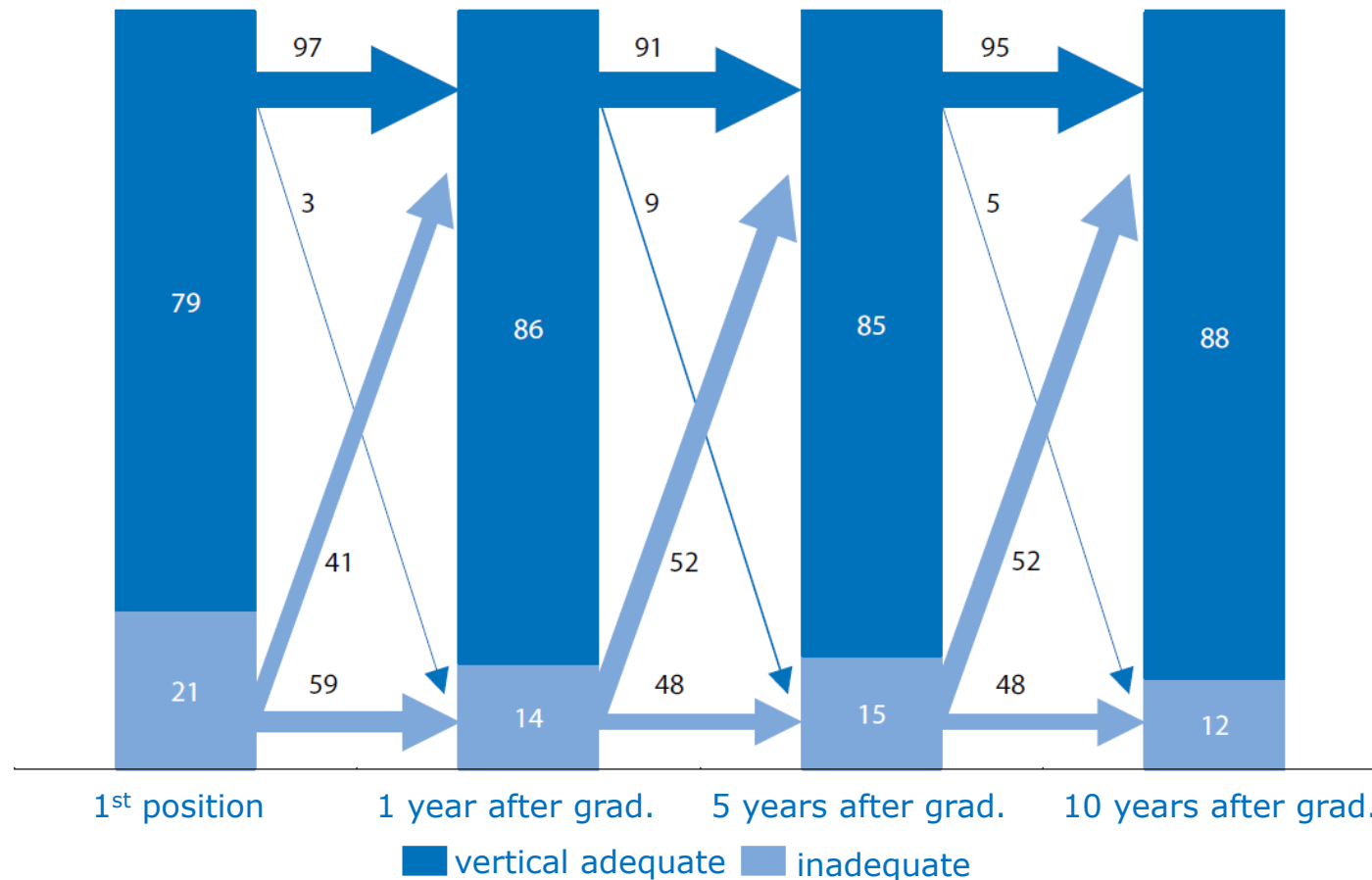
Development of (vertical) inadequate occupations within the first ten years after graduation



(cohort 2001: 1, 5, and 10 years after graduation)

## 4. Results

### Changes between (vertical) adequate and inadequate occupations



(cohort 2001: 1, 5, and 10 years after graduation)

## 4. Results

Logistic regression on vertical adequate occupations ten years after graduation (average marginal effects)

### Model 1

1 <sup>st</sup> job fully adequate	Ref.
1 <sup>st</sup> job only vertical adequate	-0.060***
1 <sup>st</sup> job only adequate concerning subject	-0.161***
1 <sup>st</sup> job totally inadequate	-0.176***
Number of cases	7,192
Pseudo R <sup>2</sup>	0.088

\* p<0.05 \*\* p<0.01 \*\*\* p<0.001

(cohorts 1997 & 2001)

## 4. Results

### Model 2

1 <sup>st</sup> job fully adequate	Ref.
1 <sup>st</sup> job only vertical adequate	-0.055***
1 <sup>st</sup> job only adequate concerning subject	-0.146***
1 <sup>st</sup> job totally inadequate	-0.161***
Men without children	Ref.
Men with children	0.008
Women without children	-0.004
Women with children	-0.035***
Age at graduation	-0.004**
Parent(s) with academic degree (ref.: none)	0.011
Apprenticeship (ref.: none)	-0.019*
School grade	0.019***
Number of cases	7,192
Pseudo R <sup>2</sup>	0.104

\* p<0.05    \*\* p<0.01    \*\*\* p<0.001

(cohorts 1997 & 2001)

## 4. Results

### Model 3

1 <sup>st</sup> job fully adequate	Ref.
1 <sup>st</sup> job only vertical adequate	-0.043***
1 <sup>st</sup> job only adequate concerning subject	-0.114***
1 <sup>st</sup> job totally inadequate	-0.132***
Men without children	Ref.
Men with children	0.003
Women without children	-0.012
Women with children	-0.047***
Age at graduation	-0.003*
Parent(s) with academic degree (ref.: none)	0.006
Apprenticeship (ref.: none)	-0.001
School grade	0.015***
subjects	Controlled
Cohort 2001 (ref: 1997)	0.019*
Diploma of a university of applied sciences (ref.: university)	-0.018
Duration of study>average (Ref.: not above average)	-0.013
Diploma grade	0.017***
Subject-related working experience during study (ref.: not related to subject)	0.024**
Stay abroad during study (ref.: none)	0.025**
Obligatory internship during study (ref.: no obl. internship)	0.015
Number of cases	7,192
Pseudo R <sup>2</sup>	0.153

\* p<0.05    \*\* p<0.01    \*\*\* p<0.001

(cohorts 1997 & 2001)

## 4. Results

### Full model

1 <sup>st</sup> job fully adequate	Ref.
1 <sup>st</sup> job only vertical adequate	-0.039***
1 <sup>st</sup> job only adequate concerning subject	-0.109***
1 <sup>st</sup> job totally inadequate	-0.122***
Men without children	Ref.
Men with children	0.004
Women without children	-0.008
Women with children	-0.005
Age at graduation	-0.002
Parent(s) with academic degree (ref.: none)	0.007
Apprenticeship (ref.: none)	0.001
School grade	0.012**
subjects	Controlled
Cohort 2001 (ref: 1997)	0.017*
Diploma of a university of applied sciences (ref.: university)	-0.014
Duration of study>average (Ref.: not above average)	-0.010
Diploma grade	0.014***
Subject-related working experience during study (ref.: not related to subject)	0.020**
Stay abroad during study (ref.: none)	0.022**
Obligatory internship during study (ref.: no obl. internship)	0.016
Months of parental leave/family work	-0.001***
Months of unemployment	-0.003***
Regional job mobility (ref.: none)	0.012
PhD (ref.: none)	0.056***
Number of cases	7,192
Pseudo R <sup>2</sup>	0.173

\* p<0.05    \*\* p<0.01    \*\*\* p<0.001 (cohorts 1997 & 2001)

## 5. Conclusion

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- Is a bad job start a problem also for higher education graduates when looking at the later career?
  - Yes and no.
  - A job start in a not fully adequate position increases the likelihood of having a not vertical adequate position ten years later. But many of the graduates with a bad job start cope with gaining better (i.e. more adequate) jobs. And only three percent stay in inadequate jobs for the whole time of observation.
- What are the factors that have influence on an adequate job ten years after graduation?
  - Position at job start,
  - grades,
  - work experience during study,
  - PhD, and
  - duration of unemployment/time out of labor force.
- Outlook/open questions: Why are some graduates with a bad job start performing better later on? What makes them get adequate jobs after a while? And why do others have problems the whole time?

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# Thank you!

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