

Entering the labour market: University of applied science or university – Does it matter?

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Based on the common assumption that education is a valuable resource and a good protection against risks as unemployment or poverty, attention can be drawn to the differences within graduates of higher education institutions. In this field of research this contribution (preferably poster presentation) will focus on differences between subjects and between different forms of higher education institutions – university and university of applied science (“Fachhochschule”). This notes the ongoing public discussion about differences in the German higher education system – associated with varying career opportunities. The theoretical framework of the contribution is primarily the signalling theory. So, from the point of view of an employer, there is only limited information about the performance of graduates leaving the higher education institutions. One of the most important pieces of information in this context is the practical experience of applicants. In view of this need for information the curriculum of university of applied sciences has a greater focus on practical application in contrast to the stronger theoretical focus of universities. Therefore the question will be analysed, if there is – aside from certificates – a signalling effect of the university of applied science in comparison with the university. In order to identify the signalling effect, several other factors should be taken into account. First, the analysis will be limited to disciplines which can be studied at the university and the university of applied science. This reduces unobserved heterogeneity especially according different chances on the labour market and different career paths. Second, human capital theory suggests to take into account differences in duration of study and work experience. Third, we will include occupational aspirations in order to compare students with similar attitudes and goals. And fourth a possible ability bias will be kept in mind by applying a control function approach and controlling for the grade of the university entrance qualification and the educational background, for example. The questions will be analysed using data from the graduate panel of the German Centre for Higher Education Research and Science Studies (DZHW). All in all these survey provides 16,013 observations for our analysis. First results will be presented in the contribution.