# Student employment in Europe: An economic, financial and cultural phenomenon

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Student employment is a complex phenomenon. The proportion of working students varies considerably across countries in Europe: from 77% in the Netherlands to 24% in Serbia and Italy [1]. What explains such a variation, and what does it say about the learning and living environment of students in these countries? While we know about the profile of working students, the cross-country variation remains largely unexplained. In this brief paper, we highlight the main factors that contribute to student employment, and argue that a combination of economic, financial and cultural aspects leads to different employment patterns across Europe.

### Is student employment a problem?

Student employment is often presented as a problem. The critics see it as a signal of insufficient student support that diverts students' attention away from their core task—academic achievement. It is particularly a problem if students' socio-economic background determines whether they need to work, and thereby sacrifice their academic progress. There is some evidence to substantiate this concern, but the evidence is far from conclusive. Students from families with lower income and/or lower educational levels tend to work more [2], but not everywhere [3]. While working students seem to spend less time on their studies, there is little proof that this hurts their academic achievement [4].

Alternatively, massive student employment can be a signal of educational quality. If working many hours is reconcilable with full-time study, perhaps the study does not offer enough of a challenge. It can lead to a situation where students feel a need to work in order to distinguish themselves for better career opportunities [5]. It is remarkable that student employment differs considerably across different fields of study and across countries.

Student employment can also be seen neutrally, as a matter of fact. Students have always had side-jobs, and in the context of life-long learning there will be more and more working students entering higher education. The higher education system may need to adjust to the diverse needs of its increasingly heterogenous student body, instead of problematizing student employment. Regardless of the perspective, it is important to understand the reasons why students work, and how they combine work and studying most effectively.

# **Financial factors**

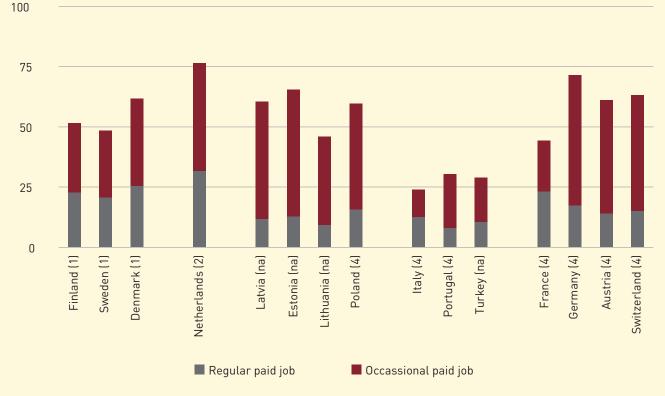
Financial arguments are usually the most prominent in explaining student employment. The more alternative resources students have at their disposal for covering their study and living costs, the less need there is to work, theoretically speaking. A large proportion of European students work for financial reasons, and they claim that they would not be able to afford to study without this income [1]. Cross-country differences, however, reveal interesting discrepancies. Student satisfaction with their material well-being varies significantly across countries (e.g. 4% of students are dissatisfied in Spain versus 35% in Austria), and it does not appear to be correlated with their material well-being in an objective sense [2].

Country-level employment patterns do not seem to be related to the generosity of the student support system. An OECD [6] exercise divides countries into four groups based on their financial (support) system. In the first group are countries with no or low tuition fee and a generous student support system, mostly Scandinavian countries. Based on Eurostudent [1] data, these countries demonstrate a slightly below average employment rate, but they are far above Southern European countries (Italy, Portugal and Turkey) that according to the OECD have less developed student support systems (Figure 1). We see no significant difference between the Netherlands—a country of high tuition fees and a well-developed student support system—and Germany, which has a less developed student support system.

Two conclusions can be drawn from this. First, the financial needs of students are not only a matter of objective reality but also societal norms. Ehrenberg [7] shows that the increasing student debt in the US is related not only to increasing educational and living costs, but also with increasing students expectations of consumption benefits. In other words, the perception of financial needs is also normative. Secondly, student employment patterns are probably influenced by the labour market and the economic structure more generally, as demonstrated by regional similarities.

#### **Economic factors**

Student employment decisions are likely to depend on access to work. Arguably, the more available employment opportunities are, and the better they are in terms of income and working conditions, the more likely students are to work. Periods of economic growth have been shown to boost student employment [8], providing a surplus of good work opportunities. Economic growth often creates demand for flexible work—either unskilled or skilled—that fits student workers particularly well [9]. European countries differ significantly in the rate of youth unemployment, and countries with high youth unemployment rates. Countries differ greatly in the extent of part-time and flexible jobs. All these factors influence whether potential student-workers find a place in the labour market.



**Figure 1.** Regular and occasional student employment during a lecture period in selected European countries, 2018 (% of all students).

*Data source:* Eurostudent [1], OECD [6]. Note: the number behind the country name shows a classification in OECD (2014): 1=no/low tuition fee + a well developed student support; 2=high tuition fee + well-developed student support; 4=low tuition fee + less developed student support.

Two conclusions can be drawn from the data. Students are not only responding to their individual financial needs, but also to the opportunities that the economic context offers to them. Secondly, European countries have gone through economic fluctuations over the past 15 years, but student employment rates—although following the economic trends—remain stable relative to each other.

#### **Career perspectives**

Students work not only for financial reasons. More than half of the working students report that they work in order to get experience and/or to distinguish themselves in the labour market [1]. It can be argued that due to the increasing number of graduates in most countries, students need additional credentials to promote themselves in the market, either through work experience or through other extra-curricular activities. In more egalitarian higher education systems the need to stand out may be even stronger than in highly selective and differentiated higher education systems [5]. In all countries, older students are more likely to work than younger students [1], indicating increasing financial independence from parents, but also, perhaps, an approaching career decision. The link between student employment and other (extra-)curricular activities is subject for future research.

# Conclusion

Working students have been studied thoroughly: consistently across countries they tend to be older, at a higher level of studies, (slightly) more often first-generation students, and in financial need. However, these same factors fail to explain the large cross-country variation in employment patterns. While financial and economic considerations matter, student employment seems to be also a cultural phenomenon. It is linked to norms of what is perceived as a 'normal' student standard of living, a 'normal' student job and a 'normal' student lifestyle in terms of study and work. These norms and formal institutions are likely to reinforce each other: labour market expectations adjust to the supply of student workers and vice versa, expectations of educational engagement and student lifestyle adjust themselves to working patterns. Student employment thus remains a complex mix of financial and economic factors, but also cultural factors, which reinforce existing patterns.

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Student employment in Russia: incidence, motivation and labour market outcomes

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During last two decades there has been a rapid massification of higher education in Russia, mainly due to the growth of private universities, and programs in business, economics, law and social sciences. Higher education enrollment rose from 30% of high school graduates in late 1980s to 60–70% in 2018. This massive expansion of higher education has led to a differentiation of higher education by quality and a decrease in the significance of a university degree as a signal on graduate abilities in the labour market. Employers hiring recent university graduates face uncertainty about their productivity and since a degree is no longer a signal of abilities due to the relatively low average standards of education. Other factors, such as work experience, have become important signals of graduate abilities. The mismatch of educational programs to labour market requirements and the importance of practical and soft skills for employment also create demand for work experience before graduation. From the viewpoint of employers, the most employable graduates are those with work experience or/and a degree from a leading university. Consequently, since work experience accumulated during studies has become an important comparative advantage in the labour market and due to the relatively low workload during studies, Russian higher education students actively combine study and work. This article considers the incidence, motivation and determinants of student employment while studying and the educational and labour market outcomes of student employment.

# Incidence and patterns of student employment while studying

Combining study and work in Russia is a very wide-spread phenomenon. According to the data of a Russian Federal Statistics nation-wide survey of university graduates [1], around 40% of university students in 2010–2015 combined study and work. A survey of university students, carried out by Ministry of Education and Science of Russian Federation and HSE University (MEMO survey), [2] indicated that during the period 2010–2018 the share of students who combined study and work in Russia lay between 47 and 54%, with increases in periods of economic growth or recovery and declines during recessions.

The distinctive feature of student employment in Russia is that unlike in many European countries, students in Russia tend to combine studies with qualified jobs related to their specialization and by this complement their formal education with practical skills relevant for the labour market. Graduates of the most selective universities combined study and work even more often then students from less selective or regional universities mainly due to the fact that selective universities appear in most developed areas with developed labour markets with plenty of jobs including distant and part-time. According to an HSE University graduate survey [3], around 80% of students had obtained work experience during their studies.

The incidence of student employment while studying differs considerably by degree: among BA and Specialist students, around 47% combined study and work and among MA students around 75%. On average, students dedicated 26 hours per week to paid work, which is 2/3 of average working week. Master's students worked even more: around 30 hours a week. The majority of students start their employment in the 3rd year of their studies.