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### **Role of universities shaping graduates' labour market outcomes**

The literature has accumulated substantial evidence on the benefits of greater educational attainment for subsequent labor market opportunities including better jobs and higher earnings, but empirical evidence on the role played by institutional quality is scarce (Singh Bedi and Edwards 2001), particularly at university level. At lower levels of education, several works have examined the impact of school quality on earnings for developed countries (mainly the United States), providing very mixed evidence. However, most of the literature on the impact of quality looks at effects on intermediate outcomes, like test-scores, grade repetition or teaching-student ratio. On the other hand, some studies (Brunello and Checchi, 2014) suggest that higher school quality has a positive impact on educational attainment and returns to education, especially for the individuals born in regions and cohorts with poorer family background. In fact, better school quality is interpreted as a technical substitute to parental education in the production of individual human capital.

At tertiary level, we know yet very little about the relationship of university characteristics, mainly teaching and research activities, on the probability of graduates finding jobs (Ciriaci and Muscio, 2011). As an exception, the work done by Ciriaci and Muscio (2014) analyzes the determinants of the probability to find a job one-year and three-years after graduation, confirming that attending universities with good research performance raises the probability of finding work after graduation.

Combining data from graduate surveys of different EU countries (IT, HU, UK and DE) with the information from the European Tertiary Education Register (ETER), our analysis will focus on the relationship between employment outcomes of recent graduates and the characteristics of the university they have attended in relation to their teaching and research activities.

Preliminary results suggest that both teaching and research activities of the university are related to labour market outcomes of graduates, in particular research excellent institutions with high reputation increase the probability of employment three-years after graduation and are also positively associated with better occupations and higher salary of the graduates. In addition, university characteristics exert a moderator role in the relationship between socioeconomic background of the graduates and their labour market opportunities.

**Keywords:** employment outcomes, graduates, tertiary education, university quality, social mobility