

PRIMER

Grooming graduates with an extra edge

This primer is the sixth instalment of a 12-part series in the Opinion pages, in the lead-up to The Straits Times-Ministry of Education National Current Affairs Quiz.



By SANDRA DAVIE
 SENIOR WRITER

■ Can a university education better your job prospects and buy you the good life?

THE answer to this question is simply "yes". To a large extent, a university degree is and will be considered by most people as the holy grail of education.

No wonder, desiring parents lauded Prime Minister Lee Hsien Loong's National Day Rally announcement last year that the number of university places would be increased. Some even suggested that his target, to absorb 30 per cent of each student cohort by 2015, seemed low; they wanted enough places to soak up 40 per cent.

After all, most feel that a degree is the minimum requirement for strong job prospects and a higher quality of life.

A committee set up by the Education Ministry to study the feasibility of more places and pathways in higher education has noted that more places are indeed needed: first, to accommodate the rising calibre of students, and second, to prepare manpower needed for a more diversified Singapore economy.

But this committee has not specified the new cohort participation rate (CPR) – the percentage of Singaporeans in each Primary 1 cohort who will gain entry to local universities – that it may aim for after 2015.

The current rate is 27 per cent. This means that only a quarter of each Primary 1 cohort are offered places at local universities.

By 2015, more places will be added across the Singapore Institute of Technology, the Singapore University of Technology and Design, the Yale-National University of Singapore liberal arts college and the Nanyang Technological University's medical school, raising the CPR to 30 per cent.

The figures do not take into account the 5,000 to 8,000 students who head to universities overseas or pursue full-time degree studies at more established private schools here. Taken together, the rate would be closer to 50 per cent.

But simply upping the number of places at universities here addresses only one part of the question. What actually happens beyond graduation – and whether those degrees translate into better

lives – is another matter.

To address the issue, we must consider if university graduates here earn more in their lifetime, and enjoy good job prospects.

Extensive research conducted in other parts of the world suggests that in deciding whether to invest in a degree, considering a pessimistic short run in which university graduates move into a shaky job market is short-sighted.

Recent figures released by the US-based Pew Research Centre showed that despite a weak economy in the United States, people with an undergraduate college degree still earn, on average, in excess of US\$1 million (S\$1.3 million) more over their lifespan than those without one.

Although figures here are not as up to date, a 2007 study on the returns on higher education by the Manpower Ministry (MOM) showed that every extra year of schooling enhances a worker's earnings by 13.7 per cent. The rate of return is also higher for tertiary education.

This means that a graduate with more years invested in academics generally earns more.

This study also found that as the economy shifts towards higher value-added and knowledge activities, demand for more educated workers will rise, thus enhancing the returns on higher levels of education.

When drilling down to differences between graduates and non-graduates, like polytechnic diploma holders, the former also generally enjoy better outcomes.

When the Singapore economy hit a speed bump three years ago, diploma holders fared better than graduates.

An MOM report for the third quarter of 2009 showed that among those unemployed, about 6 per cent were diploma holders while 22 per cent were degree holders. The same pattern was seen for redundancies, with fewer poly graduates laid off than university graduates.

Recruiters explained that poly students cost less to hire and retain, and possessed more practical skills that employers valued, especially in a downturn. Retrenched poly graduates were also more willing to take lower-paying jobs.

Nonetheless, in the subsequent upswing, the odds favoured university graduates.

Job prospects and salaries of degree holders recovered, and even overtook that of diploma holders. An MOM labour force report in 2010 showed that unemployment was 3.7 per cent for degree holders compared to 3.9 per cent for diploma holders.

The rosier picture for gradu-



Graduation Day celebrations at NUS last year. While all universities must turn out graduates with deep knowledge and useful skills, they should also place as much attention on innovating and cultivating in them an X factor. ST FILE PHOTO



Nanyang Polytechnic students on campus. A 2009 MOM report showed that fewer poly graduates were laid off than university graduates during the downturn, but in the subsequent upswing, the odds favoured degree holders. ST FILE PHOTO

ates, however, needs to be examined with some circumspection. For one, past data on graduate performance does not necessarily reflect future outcomes.

The opening up of more places might lead to a glut of graduates, particularly at times when job markets are unable to absorb them all.

South Korea, with an advanced economy like Singapore's, is a classic example. According to the Asian Sentinel, fewer than half of those who graduated in 2010 had found full-time jobs by the end of last year.

On another front, it is fairly obvious that not all college degrees are created equal. Returns on degrees in accountancy and law, as well as the sciences and engineering, are higher compared to those in social work, psychology and English.

Employers, including the civil service, also make a distinction between different types of institutions.

So far, employment prospects of graduates from publicly funded universities have remained on par, but the same cannot be said for graduates of private schools.

The first employment survey carried out by the Singapore Institute of Management released recently showed that while its graduates receive multiple job offers, they are typically paid several hun-

dred dollars less each month than their peers from the publicly funded universities.

All these notes of caution lead to one thing: as the quantity of graduates increases, so should their quality. Only then can that piece of paper lead to better outcomes.

Beyond the paper chase

THE issue before the Government is not merely expanding university places, but offering more choices and high-quality education to students.

So while all universities must turn out graduates with deep knowledge and useful skills, they should also place as much attention on innovating and cultivating in them an X factor.

Take the Singapore Management University (SMU), which at its outset in 2000 introduced American-style admission, curriculum and teaching in Singapore. Four years later, employers receiving its first graduates noted an "SMU difference" – they were more polished and well-spoken.

Now, the university review committee looking into setting up a fifth university has been studying different university models in Europe, Asia and the US, to arrive at one that will serve students and the needs of the Singapore econ-

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NATIONAL CURRENT AFFAIRS QUIZ

Think you know it all?

JOIN us for The Big Quiz! For registration details, news reports on school talks and students' responses, go to www.straitstimes.com/thebigquiz/

View clips from school talks at www.razortv.com.sg
 Student teams will compete for the top cash prize of \$5,000 and a trophy. The next best teams will receive \$3,000, \$1,000 and \$500 respectively.

The competition is open to students in the first year of junior college or the equivalent, such as Year Five of a six-year integrated programme. The teams, comprising three students and a reserve, will slug it out over four rounds next month and in August. Questions will be based on reports in The Straits Times.

Upcoming talks: July 4, Temasek Junior College; July 13, National Junior College; July 20, Anglo-Chinese Junior College.

Next week's primer topic is on censorship in the arts and the media. Readers with questions on primer topics can e-mail them to stprojects@sph.com.sg

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Its main target: polytechnic graduates, several thousand of whom head overseas or attend private schools to top up their diplomas with degrees.

The 15-member committee headed by Minister of State for Education Lawrence Wong is rightly looking at universities which put a premium on hands-on learning and applied real-world research, namely those in Hong Kong, the US and Germany.

Drexel University, a private institution in Philadelphia, was of special interest for its unique cooperative education programme.

All its undergraduates are required to combine job internships with studying for their degrees, graduating only after five years, rather than the typical four, having completed up to 18 months of relevant work experience.

This system has been found to give them a much-needed edge over other fresh graduates in a

tough job market.

On another recent visit to study Germany's applied universities and work-study programmes, Mr Wong said his committee was definitely leaning towards a practice-oriented university that could offer close links to industry, as well as programmes that combine work and study.

This model would build on the strengths of poly-trained graduates, who are notably more hands-on workers and attuned to the practical needs of industry and business.

To be sure, making room for such diversity in higher education is a step towards improving the quality of graduates.

Preparing graduates to be adaptable and to stay relevant to market needs will also ensure that the degree is not just a paper chase, but continues, over time, to net positive outcomes in terms of pay and opportunities.

sandra@sph.com.sg