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The Peterloo Institute

Report

The Northern Brain Drain: A Study on Graduate Retention in Greater Manchester



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Founded by Jemima Freudmann in her final year at university, the Institute has consistently aimed to tackle two of the most important societal issues facing modern Britain: regional inequality and structural racism. Since its conception, it continues to be made up of a team of dedicated students seeking to make real change in the policy world.

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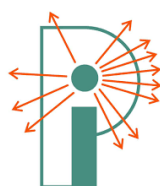


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Executive Summary

Manchester is a single link in a larger network of challenges facing the labour force across Northern England—the “*Northern Brain Drain*”. Although Manchester has one of the highest retention rates in the country, London continues to be the location where students are most likely to relocate – and remain – after graduation. In this report, researchers at Peterloo surveyed students themselves on reasons that would attract graduates to remain in Greater Manchester, utilising the barometer of characteristics defining “*Good Quality Work*”: salary, personal and employment opportunities, health, and satisfaction. This report finds that respondents prioritised the socio-cultural environment of the city, job opportunities, and low cost of living. Furthermore, the report finds that people perceive London to vastly outnumber Manchester in such career opportunities.

Policy Recommendations:

- Draw in more competitive job opportunities to Manchester, such as through wage bursaries and greater advertisement of existing careers.
- Increase quality of local education, so home graduates are valued.
- Strengthen business-employer relations through transparency and opportunities for personal growth.

Published during a cost of living crisis, Manchester’s ability to provide graduates a vibrant, yet financially beneficial, lifestyle means that increasing career opportunities in the region must be an essential component of current debate.

Introduction

In 2019, the Combined Authorities of Greater Manchester (GMCA) launched the UK's first 'Good Employment Charter', which attempts to aid 'employers to develop good jobs, deliver opportunities for people to progress, and help the city-region succeed'.¹ Within the charter, the GMCA in partnership with various employment specialists, outlined seven characteristics of a job which represented "good quality employment", including 'secure work, flexible work, real living wage, engagement and voice, recruitment, people management, and health and well-being'.² While the Peterloo Institute welcomes such a development, this research project calls for greater focus regarding the quality of jobs available for students and recent graduates in Greater Manchester.

Manchester's universities boast a strong reputation both in the UK and abroad. The city gains a net influx of students each year and has an overall retention rate of 51 per cent, with a third of students originating from the Greater Manchester area itself. However, two problems persist. Firstly, Manchester's graduate wage in 2014 was one of the lowest of all UK cities, with an average starting salary of £20,870.³ Secondly, Manchester sees a net outflow of 21 percent of graduates to London. Despite Manchester having one of the highest graduate retention rates amongst cities within the UK, a large degree of "bouncers" remain. This term refers to students who come to the city for university purposes, however, leave after graduating.⁴ Furthermore, this is a universal issue across northern university cities, to the extent that many experts claim that a northern "brain drain" exists.⁵

Retaining graduates in Greater Manchester is important. Having a large pool of young, skilled, and motivated individuals within the workforce drives innovation, which is key for continuing Manchester's structural shift from its industrial roots to developing more specialised sectors such as sport, media and music. This graduate-driven growth in Manchester is pivotal to reducing inequalities between the North and South of the UK, since it will increase investment and employment that will have further impact across the wider

¹ Greater Manchester Combined Authority, "Greater Manchester good employment charter," June 15, 2021, <https://www.greatermanchester-ca.gov.uk/what-we-do/economy/greater-manchester-good-employment-charter>.

² Greater Manchester Combined Authority, "Greater Manchester good employment."

³ Rebecca McDonald. *The Great British brain drain: An analysis of migration to and from Manchester*. London: Centre for Cities, 2019. Accessed 8th March, 2023. <https://www.centreforcities.org/reader/the-great-british-brain-drain-an-analysis-of-migration-to-and-from-manchester/>

⁴ McDonald, "The Great British brain".

⁵ McDonald, "The Great British brain".

region. It has been suggested that resilience towards economic shocks of the local economy; experience of studying a higher-level qualification engenders a life-long learning mindset, allowing for retraining and resilience to economic shocks. As the North's productivity falls short of London and the Southeast, and the labour force is considered weaker than other parts of the UK, graduates will be key in supporting the city to thrive.⁶

This research has aimed to fill a gap of understanding in how Greater Manchester can retain graduates, and whether this can be achieved by providing 'good quality' jobs for graduates. To achieve this, we conducted a quantitative survey with students and recent university graduates from higher education facilities in Greater Manchester. This survey asked participants to rate good quality job factors based on their importance to them when looking for employment. From this, we drew conclusions on which aspects of good quality employment the city should focus on most when aiming to attract more graduates and increase its graduate retention rate.

⁶ Katherine Kent, "Regional labour productivity, including industry by region, UK: 2018," Office for National Statistics, February 5, 2020, <https://www.ons.gov.uk/economy/economicoutputandproductivity/productivitymeasures/bulletins/regionallabourproductivityincludingindustrybyregionuk/2018>.

Literature Review

On average, full-time workers in the UK work 36 hours per week and work generally dominates the population's time from the ages of 16 to 65.⁷ Owing to its enormous importance to individuals and the UK economy, much research has been done to understand how work impacts on lives and how work can be of ‘good quality’.

The Employment Landscape in Greater Manchester

Scholars and commentators agree that the employment landscape within the Greater Manchester area has undergone a dramatic transformation since the Second World War. Manchester went through a process of extensive economic restructuring,⁸ consisting of rapid de-industrialisation, especially from the 1960s. Between 1966 and 1972, “one in three manual jobs in manufacturing were lost”, replaced (albeit not fully) by a “growth in service occupations”.⁹ As a result, most employment opportunities remained low-skill and low pay, although unlike the previous manufacturing base, employment was less labour-intensive.

This trajectory remained until the 1990s, when numerous investment projects, such as the Metrolink, Bridgewater Concert Hall and Manchester Arena took off as a part of a campaign to raise the international profile of the city.¹⁰¹¹ In the 2000s, many similar projects began to appear across the whole region, including Media City in Salford Quays and Sport City in East Manchester.¹² This influx of investments ultimately led to the emergence of more high-skilled, highly paid jobs, which many hail as to the city's benefit.¹³ For example, Greater Manchester Combined Authority reported that by 2017 Greater Manchester had one of the largest digital and creative clusters in the UK, employing 78,600 people and generating Gross

⁷ Office for National Statistics, “Average actual weekly hours of work for full-time workers (seasonally adjusted),” March 14, 2023, <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/timeseries/ybuy/lms>.

⁸ Richard Brook and Martin Dodge, *Making post-war Manchester: Visions of an Unmade City*. (Manchester: The Modernist Society, 2016).

⁹ Alan J. Kidd and Ian Beesley, *Manchester: A History*, 4th ed. (Lancaster: Carnegie Publishing, 2006), p.192.

¹⁰ John J. Parkinson-Bailey, *Manchester: An Architectural History* (Manchester: Manchester University Press, 2000).

¹¹ Clare Hartwell, *Manchester* (London: Penguin, 2001).

¹² Georgina Blakeley and Brendan Evans, *The Regeneration of East Manchester: A Political Analysis* (Manchester: Manchester University Press, 2015).

¹³ Blakeley and Evans, *The Regeneration of East Manchester*. (Manchester: Manchester University Press, 2013).

Value Added (GVA) of £3.8 billion each year.¹⁴ That said, the authenticity of this claim remains contentious, with some claiming the private sector in GM has “very limited capacity to generate good jobs which pay high wages”.¹⁵ However, the Devolution Deal made in 2014, did help to facilitate further investment,¹⁶ ultimately local policy actors could utilise their knowledge to attract employment while high levels of economic growth attracted new firms. This has led to a dramatic increase in private sector employment, especially in emerging industries such as technology and life sciences.¹⁷ Indeed, from 2013-2019, Manchester’s private sector net job creation increased by 20 per cent.¹⁸

On the other hand, commentators question whether these jobs have contributed to the welfare of Mancunians directly, describing the uneven development seen in areas surrounding Media City and Northern Quarter as strong cases of gentrification.^{19,20}

Gentrification- the process of wealthier people moving to a previously urban area, thereby increasing housing standards and costs, which leads to the displacement of former inhabitants of the area.

They argue that although the investment has improved job quality and brought more opportunities, due to educational and skill gaps these jobs often do not go to lifelong GM residents. Indeed, in 2015, 44 per cent of the new graduate workforce were incomers from outside of the region, who had come either for university or employment.²¹ It has also been outlined how alongside these ‘high-end’ employment opportunities, there exists a strong

¹⁴ Greater Manchester Combined Authority, “Greater Manchester Key Facts 2017”. Accessed March 8, 2023. https://www.greatermanchester-ca.gov.uk/media/1580/key_facts_2017final.pdf.

¹⁵ Peter Folkman et al., *Manchester transformed: why we need a reset of city region policy* (Manchester: Centre for Research on Socio-Cultural Change, 2016), <https://hummedia.manchester.ac.uk/institutes/cresc/research/ManchesterTransformed.pdf>.

¹⁶ Richard Leese, “New powers to Greater Manchester,” *The Leader’s Blog* (blog), *Larger Publication*, November 6, 2020, <https://www.manchester.gov.uk/blog/leadersblog/post/707/new-powers-to-greater-manchester>.

¹⁷ Mo Isap, “Greater Manchester’s Technology Horizons - What Does the Future Hold?,” Greater Manchester Local Enterprise Partnership, March 11, 2020, <https://gmlep.com/news/greater-manchesters-technology-horizons-what-does-the-future-hold>.

¹⁸ Kathrin Enenkel and Tom Sells, “Building back better: How to recover from Covid-19,” *Centre for Cities*, (2021): 10, <https://www.centreforcities.org/wp-content/uploads/2021/03/Building-Back-Better-How-to-recover-from-Covid-19.pdf>.

¹⁹ Hannah Vallance, “Manchester’s housing crisis: Is gentrification ripping the soul out of the former Cottonopolis?” *The Mancunian*, November 6, 2018, <https://mancunian.com/2018/11/06/manchesters-housing-crisis-is-gentrification-ripping-the-soul-out-of-the-former-cottonopolis/>.

²⁰ Lucy Mangan, “Manctopia: Billion Pound Property Boom review - the price of gentrification,” *The Guardian*, August 18, 2020, <https://www.theguardian.com/tv-and-radio/2020/aug/18/manctopia-billion-pound-property-boom-review-the-price-of-gentrification>.

²¹ Rebecca McDonald, “The Great British brain.”

‘foundational economy’ within the city that employs a significantly larger proportion of the workforce.²² This refers to basic industries for welfare, including health, care, education, housing, utilities and food supply.²³ Mostly, these workers are highly skilled yet remain in the remit of the public sector with median pay rates.

Highly Skilled Labour- The ‘possession of knowledge and skills to perform complicated tasks, ability to adapt quickly to technology changes, and creative application of knowledge and skills acquired through training in their work.’

However, since the 1980s some of these industries including care, housing and utilities have been increasingly transferred to the private sector.²⁴ Regardless, GM still boasts a large public sector workforce with 643,000 equating to 14 percent of the overall working population compared to 12.9 percent in London in June 2021.²⁵ The overall working population (individuals aged 16-64) of the North West is approximately 4,572,900,²⁶ whereas the working population of London was around 6,050,800.²⁷ Along with other public sector workers in the UK, government cuts and inflation levels have curtailed real-wage pay rises since 2008.²⁸ Though public sector workers do still retain some benefits, such as pensions and Union representation, that are not always included in private sector jobs, austerity measures have further contributed to the widely discussed job quality divergence between the public and private sector.²⁹ This gap is complemented by the significant gap between employment quality between London and the rest of the country.³⁰

²² Davide Arcidiacono et al., *Foundational economy: the infrastructure of everyday life*, (Manchester: Manchester University Press, 2020).

²³ Davide Arcidiacono et al., *Foundational economy: the infrastructure*.

²⁴ Richard Seymour, “A short history of privatisation in the UK: 1979-2012,” *The Guardian*, March 29, 2012, <https://www.theguardian.com/commentisfree/2012/mar/29/short-history-of-privatisation>.

²⁵ Office for National Statistics, “Public sector employment,” accessed March 1, 2023, <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/publicsectorpersonnel/datasets/publicsectoremploymentreferencetable>.

²⁶ Nomis, “Labour market profile,” accessed March 1, 2023, <https://www.nomisweb.co.uk/reports/lmp/gor/2013265922/report.aspx>.

²⁷ ibis

²⁸ Stephen Bach, “Deprivileging the public sector workforce: Austerity, fragmentation and service withdrawal in Britain,” *The Economic and Labour Relations Review* 27, no. 1 (January 2016), 11-28. <https://doi-org.manchester.idm.oclc.org/10.1177%2F1035304615627950>.

²⁹ Maria Michael and Louis N. Christofides, “The impact of austerity measures on the public - private sector wage gap in Europe,” *Labour Economics* 63, (April 2020), <https://doi.org/10.1016/j.labeco.2020.101796>.

³⁰ Rebecca McDonald, “The Great British brain.”

The Greater Manchester Good Employment Charter

It was a recognition of such continuing issues in the supply of high quality employment in Greater Manchester that led to the birth of the Greater Manchester Good Employment Charter in 2019.³¹ While the scheme does not mandate employers across GM to roll out better employment practices, it encourages employers across all sectors to commit to certain features of ‘good work’ while simultaneously providing resources and support (in partnership with the Chartered Institute of Professional and Development, CIPD) to help them achieve this commitment. This includes Secure Work, Flexible Work, Real Living Wage, Engagement & Voice, Recruitment, People Management and Health and Well-being.

Secure Work	Jobs that provide certain hours and regular pay that are also relatively long term.
Flexible work	A worker has some control of when, how and where they work so work can fit their lifestyle.
Real Living Wage	An independently calculated wage that ensures that the cost of a worker's life is covered.
Engagement and Voice	Workers have a strong voice in the decision-making process in a company but also are actively involved and consulted when decisions are made.
Health and Wellbeing	Workers' physical and mental health requirements are accommodated when working.

³¹ Greater Manchester Good Employment Charter, “The Greater Manchester Good Employment Charter,” (accessed March 10, 2023), https://www.gmgoodemploymentcharter.co.uk/media/1326/gmgec_digital-marketing-brochure-spread.pdf.

However, given the project is still in its infancy, and take up is still relatively low, with 34 member organisations and only 228 working towards charter membership, the impact of the scheme has been limited.³² Furthermore, it does not address the large graduate labour force which comes to the city for educational purposes, then leaves immediately after.

The Graduate Labour Market in the UK

The graduate labour market in the UK can be defined as ‘an urbanised jobs market based around London ... and the larger regional centres of the country’.

Graduate - ‘a person who is aged over 20, not enrolled on any educational course and who has a level of higher education above A level standard. Graduates are aged between 21 and 64’.

Over 68 per cent of full-time first-degree leavers are employed, although 18 per cent have engaged in further study at some point after graduation.³³ Almost half of them start out in the public sector, mainly in the education and health industries. This is especially prominent in the North, whereas the South sees a larger share of knowledge intensive business services (KIBS) and private sector jobs.³⁴ Additionally, the number of graduates working in positions classified as ‘professional’, according to the 2010 Standard Occupational Classification (SOC), has increased and is now at around 71 per cent, with those in professional employment consistently earning more than their counterparts.³⁵ The average starting salary for graduates as of December 2021 across the UK was £24,291, although this number might obscure the differences by region and industry.³⁶

This information could be perceived as depicting a robust graduate labour market. However, although graduates are only at the start of their career, they are affected by pre-existing inequalities, such as a gender pay gap and the fact that Black graduates are the lowest paid across all age groups, while Bangladeshi and Pakistani graduates also earn significantly

³² Greater Manchester Good Employment Charter, “Members,” accessed November 29, 2021, <https://www.gmgoodemploymentcharter.co.uk/about/members/>.

³³ Prospects Luminate, “*What Do Graduates Do? 2020/21*”, accessed March 10, 2023, https://graduatemarkettrends.cdn.prismic.io/graduatemarkettrends/03ab4cc3-0da8-4125-b1c7-a877e1d5f5fd_what-do-graduates-do-202021.pdf, p. 6.

³⁴ Centre for Cities, “*The Great British Brain Drain: Where graduates move and why*”, accessed March 10, 2023, 16-11-18-The-Great-British-Brain-Drain.pdf, p. 27.

³⁵ Prospect Luminate, “*What do graduates do?*”

³⁶ Micha-Shannon Smith, “Graduate salaries in the UK,” Prospects Luminate, December, 2022, <https://luminate.prospects.ac.uk/graduate-salaries-in-the-uk>

lower wages.³⁷ Additionally, these groups experience lower full-time employment rates, as do people with disabilities.³⁸ White graduates have the highest employment rates and Chinese and Indian graduates earn the highest salaries.³⁹

So far, experts assume that despite a 12 percent decrease in graduate employment, the graduate labour market has been the sector least affected by the pandemic and while it has certainly become more difficult to find employment, Professor Tristram Hooley predicted ‘the overwhelming majority of graduates will still find work and many of them will still find good work’.⁴⁰ Alongside this, 6.7 per cent of those who graduated in 2018/19 said they were unemployed, a rise of 1.7 per cent from the previous year of graduates, with it more than likely that employment chances have been affected by the pandemic.⁴¹ It seems however that Professor Tristram Hooley’s prediction is relatively accurate as the graduate labour market has around 20 per cent more vacancies than in 2019 (before the pandemic).⁴²

The Graduate Labour Market in Greater Manchester

Greater Manchester has the biggest graduate labour market outside London. Almost a fifth of the graduate workforce in the North-West works in Manchester,⁴³ despite Manchester only making up 7 per cent of the region’s population.⁴⁴ The city has a similar share of public sector jobs compared to the whole of the UK but lacks KIBS (knowledge-intensive business services) which are jobs heavily reliant on professional knowledge. These jobs employ 16 per cent of graduates compared to more than a quarter in London or Edinburgh.⁴⁵ More specifically, as shown by figures one and two below, the dominant industry group for new graduates in the North-West is health (22.1 per cent), followed by retail and education. In London, the largest graduate employer is the business and finance industry with 18.2 per cent

³⁷ “Destination and earnings of graduates after higher education,” Department for Education, December 18, 2020, <https://www.ethnicity-facts-figures.service.gov.uk/education-skills-and-training/after-education/destinations-and-earnings-of-graduates-after-higher-education/latest>.

³⁸ Prospects Luminate, “*What do graduates do?*”

³⁹ Department for Education, “Destination and earnings of graduates.”

⁴⁰ Prospects Luminate, “*What do graduates do?*”

⁴¹ Lucy Van Essen-Fishman, “The impact of the Covid-19 pandemic on Graduate Outcomes 2018/19,” The Higher Education Statistics Agency, July 20, 2021, <https://www.hesa.ac.uk/insight/20-07-2021/impact-covid-19-graduate-outcomes>.

⁴² HR News, “Graduate Job Vacancies 20% higher than pre-pandemic,” January 7, 2022, <https://hrnews.co.uk/graduate-job-vacancies-20-higher-than-pre-pandemic/>

⁴³ Centre for Cities, “*The Great British Brain.*”

⁴⁴ Office for National Statistics, “Census Output Area population estimates – North West, England (supporting information),” September 16, 2021, <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/censusoutputareaestimatesinthenorthernregionofengland>.

⁴⁵ Centre for Cities, “*The Great British Brain.*”

of new graduates working in this sector compared to only 8.5 per cent in the North West. On the other hand, in London, only 7.9% are employed as retail and catering staff, but 12% are in the North-West.⁴⁶

North West

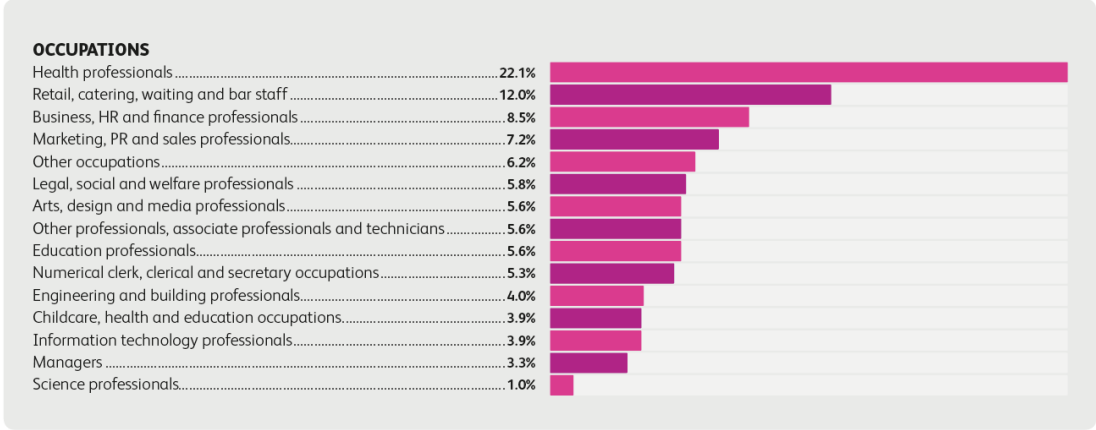


Figure 1: Prospects Luminare, Regional Edition, p. 12.

London

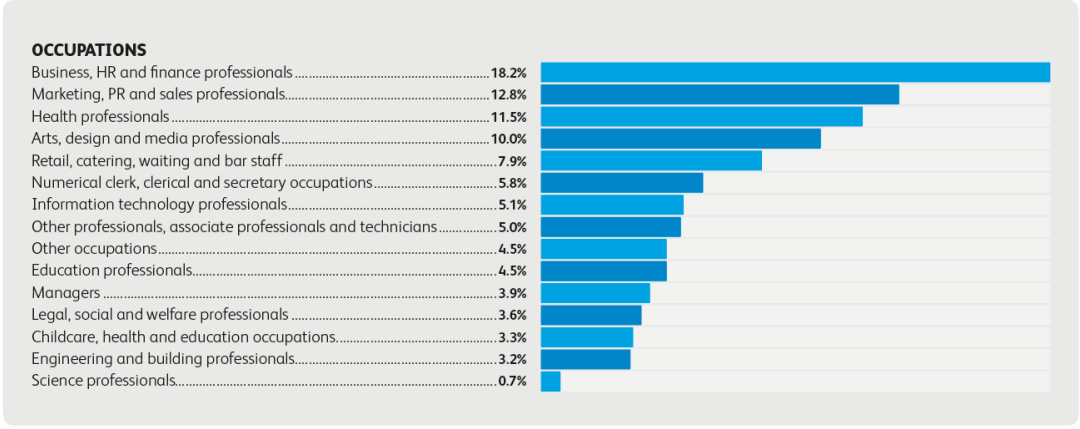


Figure 2: Regional Edition, p. 33.

In 2019, 49 per cent of recent graduates in Greater Manchester were working in non-graduate roles, compared to only 34.5 per cent in London.⁴⁷ This suggests a significant lack of relevant opportunities in the region. Additionally, the average graduate starting salary of £22,537 in

⁴⁶ Prospects Luminare, “What Do Graduates Do? Regional edition 2019/20,” https://graduatemarkettrends.cdn.prismic.io/graduatemarkettrends/1a77ed2a-3431-4954-b8c4-d1ca3982a969_what-do-graduates-do-regional-edition-201920.pdf, pp. 12, 27, 33.

⁴⁷ Office for National Statistics, “Employed graduates in non-graduate roles, parts of the UK, 2015 to 2019,” November 16, 2020, <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/adhocs/12501employedgraduatesinnongraduaterolespartsoftheuk2015to2019>

the whole of the North-West in 2017/18 is one of the lowest in the country, compared to £27,256 in London and is even lower in Manchester itself.⁴⁸

Graduate Migration to-and-from Manchester

Looking at graduate migration to and from Manchester requires nuanced analysis. 51 per cent of graduates stay to work after graduation. This means that together with some coming into the city who have never lived there before and many of those who moved away for university returning, the city experiences an overall graduate gain, second only to London.⁴⁹ However, there is also a large outflow of graduates to London and the wider North-West. Graduate migration to London can be explained. Graduates tend to stay close to areas they know, that is either the area they grew up or went to university in.⁵⁰ However, considering that 22 per cent of new graduates in the UK worked in London six months after graduation, and London tends to be the area with the best grades experts have coined the term ‘Northern Brain Drain’ to describe this phenomenon.⁵¹

London is a ‘hotspot for graduate employment’,⁵² boasting the largest labour market in the UK, high starting salaries, and a higher-than-average professional employment rate. Still, most graduates will likely never work in the capital. It is a specific cohort of graduates that moves to London, namely those referred to as ‘bouncers’ or ‘incomers’ who move to a city for university purposes, then move again after graduation.⁵³ As the Centre for Cities points out, universities do retain students but not necessarily the same students who originally moved to the city to study. Manchester is no exception, where 67 per cent of students left upon graduation.⁵⁴ At the same time, 24 per cent of the new graduate workforce had never lived in the city before, which shows that Manchester also attracts new graduates. In addition, 20 per cent of those who came to the city to study stayed for employment post-graduation.⁵⁵

Research suggests that the motivation to stay in the North-West may not be the result of a lack of ambition regarding better opportunities in the South. Instead, it is argued that it is a choice influenced by the positive connection to the area, for example in the form of friends

⁴⁸ Micha-Shannon Smith, “Graduate salaries in the,”

⁴⁹ Centre for Cities, “*The Great British Brain*,” p. 17.

⁵⁰ Prospects Luminate, “*What Do Graduates Do?*,” p. 5.

⁵¹ Centre for Cities, “*The Great British Brain*.”

⁵² Prospects Luminate, “*What Do Graduates Do?*,” p. 32.

⁵³ *Ibid*, p. 5.

⁵⁴ Centre for Cities, “*The Great British Brain*,” pp. 23-24.

⁵⁵ *Ibid*, p. 25.

and family and its culture and environment.⁵⁶ Therefore, graduates may want to stay in Greater Manchester for reasons other than employment opportunities. This could explain the city's high retention rate despite a disadvantage in wages and opportunities compared to London. The same paper argues that motivation to leave the area however is driven by job opportunities, especially access to employment and career progression. As a result, large cities, and especially London, have a bigger appeal to graduates. When provided with the right chances, university leavers do not seem to be deterred by low wages or high housing costs.⁵⁷ Interestingly, a study found a high willingness to move anywhere in the UK for 'the right job', even among those graduates who intended to stay in the region they were domiciled.⁵⁸ This suggests that the availability of good-quality jobs is a crucial factor in driving graduate migration.

Good Quality Jobs

Work can be transformational for individuals, with fulfilling work having a significant impact on individual well-being, sense of purpose and self-realisation. It can also be transformational beyond the individual, contributing to increases in living standards and social inclusion.⁵⁹ However, one in three people in the UK believe they are in a job considered low quality, and this rises to 55% for workers under 25 years of age.⁶⁰ The quality of a job does not improve with fuller employment. Fuller employment means a larger proportion of people are employed rather than unemployed and low-quality jobs are unequally distributed across society, particularly impacting younger adults and members of black and minority ethnic groups.⁶¹

Low-quality jobs, defined as having 'two or more perceived negative aspects' such as low autonomy or low pay, impact negatively in several ways.⁶² Low-quality jobs attract low pay which is recognised as being below two-thirds median pay. This increases the risk of financial hardship and poverty. It also traps people into a cycle of low-quality jobs and

⁵⁶ Eileen Cunningham and Fiona Christie, *'There's no place like home': an exploration of graduate attitudes toward place and mobility*, (Bristol: Prospects Luminate, 2019), p. 3.

⁵⁷ Ibid, p. 24.

⁵⁸ Ibid, p. 13.

⁵⁹ CIPD, "Research report Part 1 – Thematic literature review," https://www.cipd.co.uk/Images/understanding-and-measuring-job-quality-3_tcm18-33193.pdf, pp. 6-7.

⁶⁰ The Health Foundation, "One in three employees report being in low-quality jobs," February 4, 2020, <https://www.health.org.uk/news-and-comment/news/one-in-three-employees-report-being-in-low-quality-jobs>.

⁶¹ Adam Tinson, "What the quality of work means for our health," The Health Foundation, February 4, 2020, <https://www.health.org.uk/publications/long-reads/the-quality-of-work-and-what-it-means-for-health>.

⁶² The Health Foundation, "One in three employees."

unemployment.⁶³ Low-wage work also impacts in-work poverty, defined as individuals who earn below 60% of the national household median. This affects overall well-being and opportunities for training outside of work, as well as the support the state must provide.⁶⁴ In 2017, 19 per cent of employee jobs in GM were below the low-pay threshold.⁶⁵

A second impact of low-quality jobs is on health. Since the landmark Whitehall study, the link/interrelationships between health and work have been studied in more detail, and in particular, the impact of stress on health.⁶⁶ Although stress can be high in all job roles, low-quality jobs impact stress levels in ways that have adverse health impacts compared to high-quality jobs. Firstly, the stress placed upon an individual in a role where they do not possess the tools to respond to the demands of a role, like someone in a highly autonomous role, causes higher stress impacts. Research suggests that 15 per cent of people in the aforementioned roles are experiencing poorer health, more than double that, 7 per cent, of those without the same challenges in their position.⁶⁷

Secondly, low-quality jobs are less likely to be fulfilling as it is unlikely to be a satisfying job, there may be limited promotion opportunities and it is unlikely that adequate skills will be acquired to perform a high quality role.

Although the gig economy and insecure jobs receive a lot of attention for their employment rights and the job insecurity, there is a wider scope of issues that impact on the quality of jobs in the UK.⁶⁸ The CIPD's comprehensive study of good quality jobs research highlights six key elements that emerge from a plethora of research: pay and other rewards, the intrinsic characteristics of work, terms of employment, health and safety, work-life balance, and representation and voice.⁶⁹

⁶³ McKnight et al, "*Low pay and in-work poverty: preventative measures and preventative approaches*," <https://www.lse.ac.uk/business/consulting/assets/documents/Low-Pay-and-In-Work-Poverty.pdf>, p. 14.

⁶⁴ Ibid, pp. 51-2.

⁶⁵ Conor D'Arcy, Laura Gardiner, Fahmida Rahman, *Low pay in Greater Manchester A report for the Greater Manchester Independent Prosperity*, (London: Resolution Foundation, 2019), <https://www.resolutionfoundation.org/app/uploads/2019/03/Low-Pay-in-Greater-Manchester-Report.pdf>, p. 5.

⁶⁶ Public and Commercial Services Union, *WORK, STRESS AND HEALTH: the Whitehall II study*, 2004, http://workstress.net/sites/default/files/whitehall_11_study.pdf.

⁶⁷ Adam Tinson, "What the quality of work means for our health," The Health Foundation, February 4, 2020, <https://www.health.org.uk/publications/long-reads/the-quality-of-work-and-what-it-means-for-health>

⁶⁸ Chris Warhurst, Sally Wright and Clare Lyonette, *Understanding and measuring job quality*, (Warwick: CIPD, 2017), https://www.cipd.co.uk/Images/understanding-and-measuring-job-quality-3_tcm18-33193.pdf

⁶⁹ Ibid.

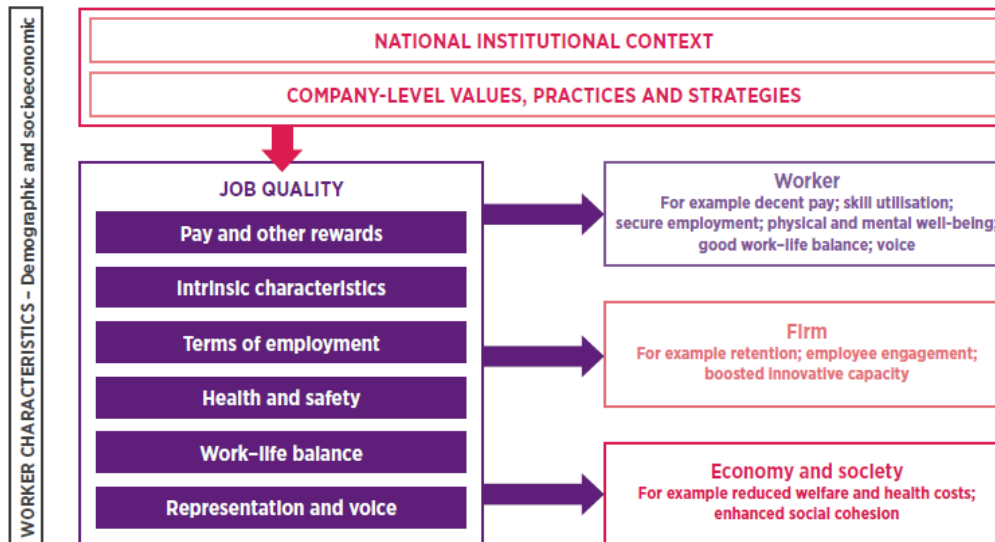


Figure 3: Characteristics of work within society

Each of the six have a number of elements sitting under the headline issues, and research and policy decisions at the government and organisational level need to consider these to ensure good quality jobs.

Policy Overview

In recent years the UK Government has expressed a new commitment to improving the quality of work within the UK. There are two major elements to this. One has been the Government’s growing interest in actively investing to transform the structure of the UK economy. This was evident in the publication of the landmark UK Industrial Strategy in 2017. The paper set out a series of ‘Grand Challenges’ to develop work-leading industries in the UK, presenting Government intervention as instrumental in creating success.⁷⁰ Providing better quality, higher value work constituted a key part of this agenda and was to be achieved through policies such as that in former Prime Minister Theresa May’s foreword, where she argued: “It is not ambitious enough to have record jobs growth, unless those jobs are secure and delivering real growth in wages.”

The current Government’s *Build Back Better* plan inherits some of this ambition, setting out the need to invest actively in emerging sectors to build a more productive economy, whilst also tackling “geographic disparities” that affect different areas of the

⁷⁰ UK Government, *Industrial Strategy: Building a Britain fit for the future* (London: UK Government, 2017), https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/664563/industrial-strategy-white-paper-web-ready-version.pdf, pp 32-35

country.⁷¹ However, it is notable that whilst the strategy includes a “Plan for Jobs”, announcing new investment in skills and supporting people into work, the focus is almost exclusively on the volume of jobs rather than their quality.⁷² There is a pressing need to ensure that, in the rush to grow the economy and replace lost jobs in the wake of COVID-19, the Government prioritises *both* the quantity *and* quality of jobs.

Moreover, it is concerning that regional inequalities between the labour markets in London and the South-East and northern cities have been substantially worsened by the effects of the pandemic.⁷³ In this context, even greater ambition and commitment is required to address these persistent inequalities. As think tank IPPR North pointed out, there were critical weaknesses in the UK Government’s delivery of similarly bold promises to address North-South inequalities under its earlier Northern Powerhouse agenda during the Cameron administration. These included a rise in low paid work, poverty and paid cancellations in the North of England in the period 2014-2019, as well as a slower increase in weekly pay than in the rest of the country.⁷⁴ For the Government to make a success of ‘building back better’ and ‘levelling up’, it needs to learn the lessons from these past failures.

The second pillar of the Government’s approach to improving the world of work is its efforts on employment rights. Prime Minister Theresa May commissioned the Taylor Review, which took an in-depth look at the state of modern working practices.⁷⁵ The review acknowledged that whilst many employees value flexible employment, there has been a tendency towards “one-sided flexibility” in the UK labour market, in which businesses use flexibility to reduce costs and workers have little say about the nature of their contracts. This review fed into the subsequent Good Work Plan, which laid out plans for stricter enforcement of existing legislation and new rights for agency and temporary workers. The plan also recognised the importance of ‘voice and autonomy’ and ‘participation and progression’ in the workplace.⁷⁶

⁷¹ UK Government, *Build Back Better: our plan for growth* (London: UK Government, 2021), https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/968403/PfG_Final_Web_Accessible_Version.pdf, pp 21-27

⁷² *Ibid*, pp 19-20.

⁷³ Centre for Cities, “Cities Outlook 2021,” accessed March 12, 2023, <https://www.centreforcities.org/reader/cities-outlook-2021/covid-and-levelling-up/>.

⁷⁴ Luke Raikes, Marcus Johns, “The Northern Powerhouse: 5 years in,” *IPPR*, June 21, 2023, <https://www.ippr.org/blog/the-northern-powerhouse-5-years-in>

⁷⁵ UK Government, “Good Work Plan,” December 17, 2018, <https://www.gov.uk/government/publications/good-work-plan/good-work-plan>

⁷⁶ *Ibid*.

However, many of the recommendations are yet to be transcribed into legislation. Moreover, although current Prime Minister Boris Johnson promised an Employment Bill upon his accession in 2019, this has yet to be announced and did not form a part of the 2021 Queen's Speech.⁷⁷ It is yet to be seen whether the Government's stated commitment to improving working practices will feed into concrete improvements in public policy.

It is worth noting that the UK Government is not the only body able to make a difference to improving the quality of work in Greater Manchester. As is mentioned in the Literature Review, GMCA (Greater Manchester Combined Authority) has also expressed a commitment to improving the quality of work in the region. The Good Employment Charter is at the heart of this, encouraging private and public sector employers to commit to providing secure and well-paid work and giving employees more of a voice in the workplace⁷⁸ through the use of incentives such as membership to the supporters' network and recommendations for policy implications within businesses⁷⁹. Elsewhere in Work and Skills, GMCA is planning a better integrated labour market plan, focusing on devolved adult education budgets and funding programmes such as Working Well to improve the productivity of the region and the quality of work.⁸⁰

Despite these promising developments, it is important to acknowledge the inherent limitations of these schemes given the limited powers available to the GMCA. The Good Employment Charter is a voluntary initiative and relies on good-will and commitment from businesses across the city region whilst the GMCA's other initiatives also rely on limited funding pots. Nevertheless, if these efforts are a success, they could help make the case for greater devolved funding and responsibilities. This would enable GMCA and local authorities to provide locally targeted initiatives to improve the quality of jobs on offer in Greater Manchester.

⁷⁷ Daniel Ferguson, "Insecure Work: The Taylor Review and the Good Work Plan," House of Commons Library Research Briefing, February 28, 2020, <https://commonslibrary.parliament.uk/research-briefings/cbp-8817/>.

⁷⁸ Greater Manchester Combined Authority, "Greater Manchester good employment".

⁷⁹ Greater Manchester Combined Authority, "Greater Manchester good employment". h

⁸⁰ Greater Manchester Combined Authority, *Greater Manchester Local Skills Report* (Manchester: GMCA, 2021), <https://www.greatermanchester-ca.gov.uk/media/4388/greater-manchester-local-skills-report-and-labour-market-plan-march-2021.pdf>

Methodology

The aim of our research was to understand what students and recent graduates within the Greater Manchester area consider ‘good quality’ work. To achieve these aims, we conducted a Qualtrics XM survey.

Method of Data Collection and Sampling

To be chosen for the study, participants had to meet two qualifying criteria. Firstly, participants had to be a student or a recent graduate (3 years). Moreover, participants also had to have studied or been studying at a higher education institution in GM (University of Manchester, Manchester Metropolitan University, Bolton University, Royal Northern College of Music, etc). As a consequence of this, all participants were students or recent graduates of a GM higher education facility. In total, 56 individuals filled in the survey questions in full.

Regarding university representation, 29 participants are from the University of Manchester, 11 from Manchester Metropolitan University, 7 from University of Salford, 3 from University of Bolton, 5 from Royal Northern College of Music, and 1 from Arden School of Theatre. In terms of gender, 31 participants identified as female and 25 male. A large majority of respondents identified themselves as ‘White English/Welsh/Scottish/Northern Irish/Britain’. With the second largest groups being Chinese and Indian graduates/students, followed by White Irish, White and Asian, Pakistani, African, Arab, White European, and South American and Indian. Finally, in terms of ‘home region’ once again other than a large segment of participants from the North-West, there seems to be an even spread amongst participants from regions within the UK as well as a significant portion of participants from outside the UK.

While the sample of 57 participants is relatively small, given the detail and level of information taken within the survey it represents a significant insight into participants' opinions. Additionally, the qualifying criteria, while limiting potential participant numbers, represented the target market our research was aimed at, and that we aimed to represent. Furthermore, as referenced earlier one characteristic which will successfully allow us to do this is the even spread of universities students across GM who participated in the survey. Ultimately, this will allow the research to represent graduates and students across GM, not just from one or two universities. Similarly, is the case for the participants' home regions. Collecting a wide spread of students from across the UK, and from those outside the UK, has

allowed the research to represent a wider group of more diverse students and graduates more accurately within GM.

However, one drawback of the sample is the diversity amongst participants when it came to ethnicity. In Manchester the demographics are the following: White 66.7% (53.3% White British, 2.4% White Irish, 0.1% Gypsy, 4.9% other white), Mixed Race 4.7% (1.8% white and black Caribbean, 0.9% white and black African, 0.1% white and Asian, 0.1% other mixed race).⁸¹ As noted earlier, a large majority of participants identified themselves as White English/Welsh/Scottish/Northern Irish/Britain. The relatively smaller number of participants from minority groups means the research will not be able to identify if opinions differ when it comes to ‘good quality jobs’ to the same level. Given the difficulties these groups already face in the labour market, both at graduate level and more generally, this is disappointing.

Survey Design

This survey was mainly designed to investigate what participants considered a ‘good quality job’ and what features of such a job were most important to them. These features were:

- Wage level
- Additional non-wage benefits
- Fulfilment
- Skill utilisation
- Terms of employment:
 - Opportunities for personal development
 - Mental health
 - Positive work-life balance arrangements
 - Level of representation

Additionally, the survey also contained a variety of questions detailing the demographic information of participants, including:

- Gender
- Ethnicity
- Higher educational facility attended in GM
- Initial home region

⁸¹ “Manchester Population 2023”, World Population Review, accessed March 12, 2023, <https://worldpopulationreview.com/world-cities/manchester-population>.

Finally, the survey concluded with a few more open-ended questions regarding participants' feelings about graduate employment in GM. This included questions enquiring:

- Do participants plan on remaining in GM?
- What would attract them to stay?
- Do they believe GM has better opportunities than London?

A survey with a mix of open and closed questions was utilised as the researchers deemed it to be the most effective way to gain a significant number of students' opinions. Rather than compiling this via the time-consuming process of interviews, surveying allowed researchers to ensure their work fit within the wider body of research in the most appropriate way. Furthermore, by making the main focus of the survey the features of a 'good quality job' and its components' importance to participants, this allowed the research to relate to the GM Good Employment Charter with the Peterloo's institute 'Graduate Good Employment Charter'. That is, the latter focuses only on some of the aspects that the former deals with. These features are those mentioned above. However, the charter in this study would go one step further than the GMGEC by illustrating the most important features to students and recent graduates. This gives employers a clearer insight in what they should prioritise providing in the short term. By supplying this information, this survey would allow employers and policymakers to ensure these features exist in the labour market to aid the retention of graduates.

The research design is linked to the aim of the research and existing literature in numerous ways. Firstly, the importance of demographic questions within the survey were crucial. Currently, it is widely known and accepted across society that different genders and ethnicities have a vastly different experience in terms of gaining employment and job quality. This is observed through issues such as, the Gender Pay Gap which was 7.9% in April of 2021 for full-time employees, or the Ethnicity pay gap which, at the same time varies across different ethnicities.⁸² Moreover, the characteristics of a 'good quality job' which were utilised in the survey were taken from the report 'Understanding and measuring job quality'

⁸² Tom Evans, "Ethnicity Pay Gaps - Office for National Statistics," October 11, 2020.

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/ethnicitypaygapsingreatbritain/2019#analysis-of-ethnicity-pay-gaps> and Nicola J. White, "Gender Pay Gap in the UK - Office for National Statistics," October 25, 2021, <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2021>.

(CIPD). This report was used as a base for the questions as it represented a comprehensive report which compiled most of the literature available on measuring job quality. As mentioned earlier, this would allow the charter in this study to go one step further than the GMCA charter by prioritising the most important features to students and recent graduates.

Ethical considerations

The survey was shared with potential participants via email, Manchester alumni Facebook groups and a LinkedIn post by The Peterloo Institute. This always included a Participant Information Sheet (PIS). The PIS detailed the research aim, what participation would involve if they were to consent and the names and contact information of everyone conducting the research for questions or minor complaints. It also outlined how data would be kept confidential and who could access it. Participants were informed about their right to withdraw at any time and then asked to confirm their understanding of all the information provided in the PIS, upon which they could consent to participation in our study.

To protect participants, various ethical measures were taken. First, the data was collected and stored in accordance with the General Data Protection Legislation (GDPR) and Data Protection Act 2018. Participants' names and contact details were not taken, and any further personally identifiable information was anonymised when possible. A complaints contact was provided to participants, which was approved by The Peterloo Institute Research Ethics Committee.

Evaluation

As mentioned earlier, the researchers opted against interviews due to their time-consuming nature and the opportunity costs. However, by not interviewing or consulting employers of graduates within GM, the research design ultimately is missing some crucial insight into the supply side of the labour market. However, this was mitigated via the literature review, as supply-side barriers to providing good quality employment have been widely documented. These include cost and lack of knowledge regarding what potential employees consider 'good quality jobs'. A second drawback, can be the limitations for a comprehensive and effective national policy as this work does not consider similar research from different city regions, like London, which would allow for patterns and trends to be observed. While not necessarily mitigated against, this was deemed out of the research scope and would cloud the key findings if included. Despite this, the team would recommend this avenue to future researchers interested in this issue.

Findings and Discussion

Introduction

To identify which characteristics of ‘good-quality work’ are prioritised highest amongst students, we conducted a survey. This data was collected from students and recent graduates from universities within Greater Manchester regarding the following nine factors:

1. Wage level
2. Non-Wage benefits
3. Purpose
4. Skill Utilisation
5. Terms of Employment
6. Personal Development
7. Mental Health Arrangements
8. Work-Life Balance
9. Representation and Voice

After receiving 57 responses, the results were stratified by the following demographics:

- University
- Gender
- Race
- Job Market Status
- Home Region

The data shows similar trends to research produced by the likes of Prospects Luminate⁸³ and the CIPD⁸⁴. However, we found no significant differences across demographic groups regarding individual valuations of the factors. We have presented our findings below.

⁸³ Laura Greaves, “What graduates want from job adverts,” Prospects Luminate, July, 2018, <https://luminate.prospects.ac.uk/what-graduates-want-from-job-adverts>.

⁸⁴ Chris Warhurst, Sally Wright and Clare Lyonette, *Understanding and measuring job quality*, (Warwick: CIPD, 2017), https://www.cipd.co.uk/Images/understanding-and-measuring-job-quality-3_tcm18-33193.pdf.

Wage Level

“When looking for employment opportunities, how important is the wage level of a job to you?”

This question was used to ascertain the level of importance students, and recent graduates, placed upon wage levels as a factor of ‘good quality employment’. Given that the average graduate starting salary in Manchester is one of the lowest in the country⁸⁵, the wage level could play a significant role in explaining the recent departure of graduates from Greater Manchester.

In total, 57 people answered the question about the importance of the wage level of a job. 50.9% considered it very important, 42.1% considered it fairly important, 7% considered it slightly important, and no respondents considered it not important.

Wage level ranks the highest of all factors in our survey. The Greater Manchester Good Employment Charter (GMGEC) also finds wage level to be an important factor in good employment. The proposal of a real living wage, which is calculated based on the cost of basic expenses, is one of the charter’s seven key commitments⁸⁶. However, this real living wage will have to be recalculated given recent rises in basic living costs because of supply side inflation.

Our findings indicate that addressing Manchester’s low graduate wages could be especially crucial in reducing the gap between Manchester and London as a good place to work.



Figure 4: Importance of wage levels

⁸⁵ Micha-Shannon Smith, “Graduate salaries in the,”

⁸⁶ Greater Manchester Good Employment Charter, “The Greater Manchester Good.”

Non-Wage Benefits

“When looking for employment opportunities, how important overall are additional non-wage benefits to you? These may include level of pension contributions, health cover, bonus schemes and other company benefits”

Research from the Income Data Services in 2014 found that 86% of organisations use non-pay benefits as an incentive for retention and recruitment. Such benefits form around 2-5 per cent of the total rewards package for employees⁸⁷. Clearly, the majority of employers are aware that benefits can increase applications for job vacancies and increase employee motivation.

Of the 57 responses, 12.3 per cent considered it very important, 29.8 per cent considered it fairly important, 40.4 per cent considered it slightly important and 17.5 per cent considered it not important. These results show that additional non-wage benefits are somewhat important for most recent graduates when it comes to good employment, however it ranks as the least important of all factors in our survey. This implies that employers may see increased retention and application rates when focussing their incentives on other factors with higher average importance for students and graduates, such as improving their employment contracts, increasing the wage level, or increasing the scope for personal development in the workplace.

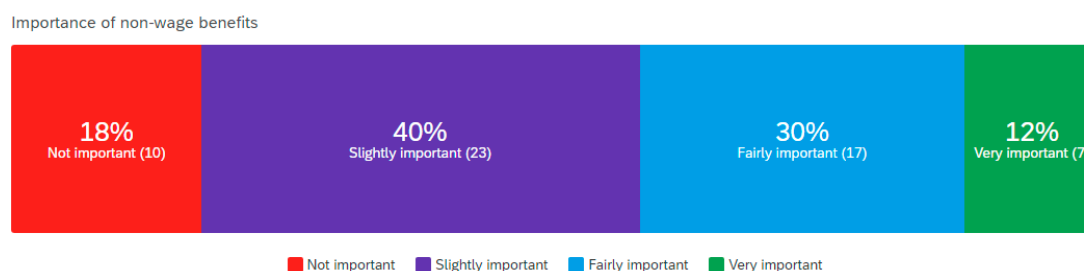


Figure 5: Importance of non-wage benefits

Level of Purpose

“When looking for employment opportunities, how important overall is the level of purpose associated with a job, to you? This may include the meaning or fulfilment you

⁸⁷ UK Government, *Pay, non-pay benefits, young people, and the minimum wage*, (Toronto: Thomson Reuters, 2014), https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/289430/IDS_research_report_on_pay_FINAL.pdf

get from the job personally, or whether you feel your job contributes to society in a positive way.”

In their report on good quality work,⁸⁸ the Chartered Institute of Personnel and Development (CIPD) demonstrated that fulfilling work can have a significant impact on individual wellbeing. It is also argued that people who perceive their work to be meaningful have more desirable work attitudes and are absent from work less frequently. It is therefore crucial to recognise that motivations for work exist beyond financial benefits.

Our results show that a job which induces a sense of purpose is very important to our sample, ranking joint 3rd out of all the factors in terms of importance. Of the 57 respondents 49.1% considered the level of purpose associated with a job very important, 33.3% considered it fairly important, 12.3% considered it slightly important and only 5.3% considered it not important.

Enabling employees to find purpose in their work can result in the “self-actualisation” section of Maslow’s hierarchy of needs being met, resulting in increased motivation and life satisfaction⁸⁹. The GMGEC provides some recognition of the importance of this factor to good quality employment. One of the seven Charter commitments, ‘people management’ emphasises the need to “keep employees motivated in their work” through listening to their views and offering development opportunities and clear organisational values.⁹⁰ These are tangible ways of increasing the fulfilment of a job that all employers could improve on. However, while the CIPD points out that there is no consensus yet on how to measure and therefore improve meaningful work, the importance of this aspect to students and recent graduates indicates that this is a factor which could be better understood in order to improve jobs and attract graduates in Greater Manchester.

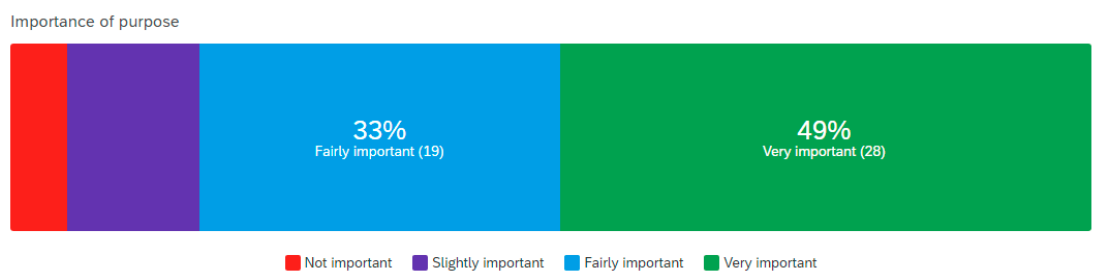


Figure 6: Importance of purpose

⁸⁸ Chris Warhurst, Sally Wright and Clare Lyonette, *Understanding and measuring job*.

⁸⁹ Saul McLeod, “Maslow’s Hierarchy of Needs,” Simply Psychology, last modified December 29, 2020, <https://www.simplypsychology.org/maslow.html>.

⁹⁰ “People Management,” Greater Manchester Good Employment Charter, accessed January 3, 2022, <https://www.gmgoodemploymentcharter.co.uk/the-charter/people-management/>.

Use of Skill Set

“When looking for employment opportunities, how important overall is using your skill set in your work to you? This may include skill sets you have learnt at university, or skills learnt on the job.”

In their report on good quality work, the CIPD states that skill utilisation is an important determinant of job quality. Our results also demonstrate that skill utilisation is of great importance to graduates in particular. Of the 55 responses 32.7% considered skill utilisation very important, 36.4% fairly important, 14.5% slightly important and 16.4% found it not important. There was some disparity in responses to this question by gender, where 73% of females answered either very or fairly important whereas only 63% of males answered the same. Skill utilisation appeared to be distinctly more important to UoM students with 88% of those respondents finding it either very or fairly important, with far more varied responses from the other universities. However, given the small sized nature of our sample, no real statistically significant inferences can be drawn from the characteristic trends in the data. In spite of this, it is clear that skill utilisation may have some pull when it comes to graduate retention in Greater Manchester.

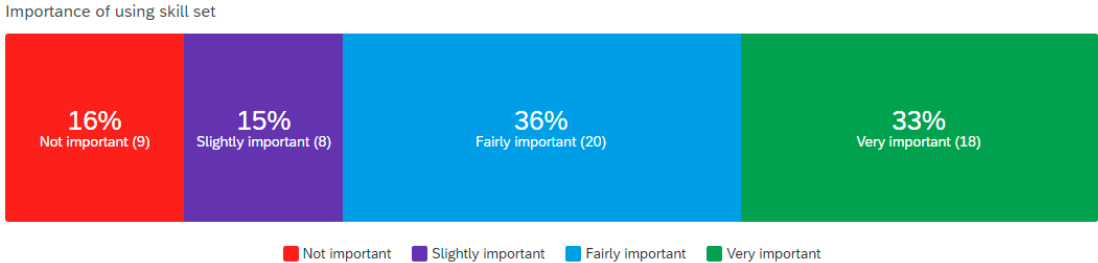


Figure 7: Importance of using skill set

Terms of Employment

“When looking for employment opportunities, how important are the terms of employment to you? Terms of employment refers to your contract, whether this is permanent, fixed term, zero hours.”

The CIPD found that from reviewing the literature, terms of employment was a key determinant of job quality. This is also relevant when it comes to secure and flexible work, two of the seven characteristics of good employment as identified in the Charter.

Of the 57 respondents, 50.9% considered the terms of employment very important, 38.6% fairly important, 7% slightly important and 3.5% found it not important. Overall, it ranked as the second most important factor of good employment in our sample. Given the

strong response to this question, it would seem that students and recent graduates have a particular appreciation for the importance of terms of employment. Zero hour contracts and other flexible forms of employment, of which 8.3% of 16-24 year olds are employed in this fashion,⁹¹ are increasingly popular employment contracts for employers. Consequently, graduates may have experienced, or are at least aware, of the issues regarding these contracts, thus explaining our responses.

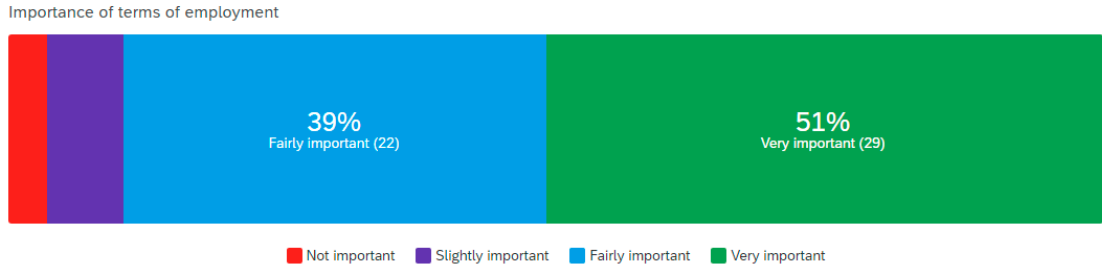


Figure 8: Importance of terms of employment

Personal Development

“When looking for employment opportunities, how important overall are opportunities for personal development to you? These could include training courses, or additional qualifications.”

According to experimental research from the Social Market Foundation, happier employees tend to be more productive⁹². Therefore, if we assume that personal development increases wellbeing, jobs with scope for individual growth represent a win-win situation for both employers and employees. Given this information, it is clear that increasing the potential for individual growth in graduate level jobs is one practical way to increase graduate retention in the Greater Manchester area.

The results from the survey show a relatively high demand for personal development, with 50.9% finding it very important, 31.6% fairly important, 10.5% slightly important and 7% not important, placing it joint third in our importance rankings. Given that graduates are only just beginning their professional careers and would benefit from development, these results make intuitive sense.

⁹¹ “Percentage of employees on a zero-hours contract in the United Kingdom from 2013 to 2022, by age group”, Statista, accessed: August 23, 2021. <https://www-statista-com.manchester.idm.oclc.org/statistics/398569/share-of-employed-population-zero-hour-contracts-age/>

⁹² “Happiness and productivity: Understanding the happy-productive worker,” Social Market Foundation, October 27, 2015, https://warwick.ac.uk/fac/soc/economics/staff/dsgroi/impact/hp_briefing.pdf

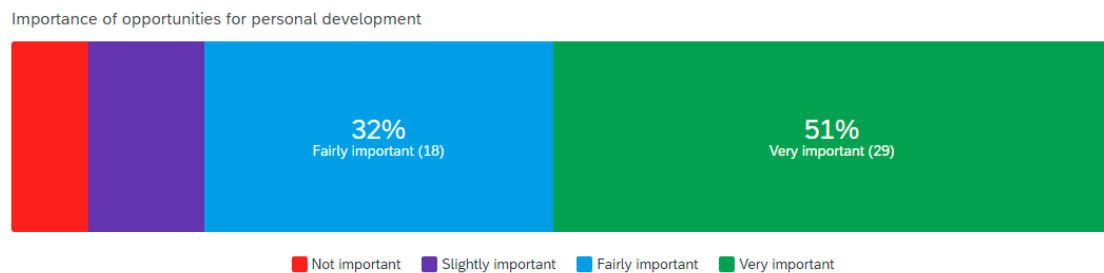


Figure 9: Importance of opportunities for personal development

Mental Health Arrangements

“When looking for employment opportunities, how important overall are mental health considerations to you? For example, Mental well-being counselling from employers during periods of high stress.”

Presence and awareness of mental health issues at work is increasing significantly.⁹³ Moreover, employment specialists agencies are now actively encouraging employers to create more inclusive environments where staff can talk openly about issues concerning mental health.⁹⁴ As a result, employee’s mental health considerations are increasingly important in the workplace. Surprisingly, this is not a trend that can be seen in these findings. Of the 57 respondents, 19.3 per cent of participants considered it very important, 28.1 per cent considered it fairly important, 29.8 per cent considered it slightly important, and 22.8 per cent considered it not important, ranking it the one of the least important factors for our sample.

From these results it is clear that mental health considerations, while important, are not as crucial as other features to most in our sample when it comes to defining good quality employment. However, with over 77 per cent of participants considering it at least slightly important, it is still crucial to integrate this into any definition of good quality employment, as identified by the GMGEC. Furthermore, given awareness around the topic is constantly increasing, it is crucial employers consider mental health as a factor for good employment for young employees.

⁹³ “Supporting mental health at work: guide for people managers,” CIPD, September 6, 2022, <https://www.cipd.co.uk/knowledge/culture/well-being/mental-health-support-report#ref>

⁹⁴ “Supporting mental health at work,” Acas, accessed January 3, 2022, <https://www.acas.org.uk/supporting-mental-health-workplace>.

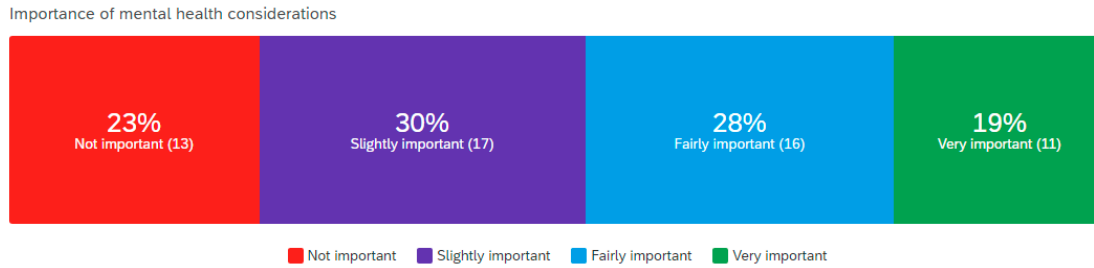


Figure 10: Importance of mental health considerations

Positive Work-Life Balance

“When looking for employment opportunities, how important overall are positive work-life balance arrangements to you? These could include flexible working or work from home opportunities.”

Society’s ideals surrounding work have rapidly altered since the COVID-19 pandemic and subsequent lockdowns, with 85% of working adults favouring a hybrid approach of in-office and work-from-home options⁹⁵. The GMGEC also identifies this as a key characteristic of good employment.

Of the 57 respondents, 38.6% of respondents considered it very important, 42.1% considered it fairly important, 15.8% considered it slightly important and only 3.5% considered it not important. However, with 80.7% of students and graduates ranking positive work-life balance arrangements at least fairly importantly, it is ultimately one of the most important features of good quality employment to this sample. Whilst employers may be reluctant to allow flexible hours and working from home, the data suggests that graduates will be more satisfied in their positions in the company. This consequently may have a positive effect on productivity.

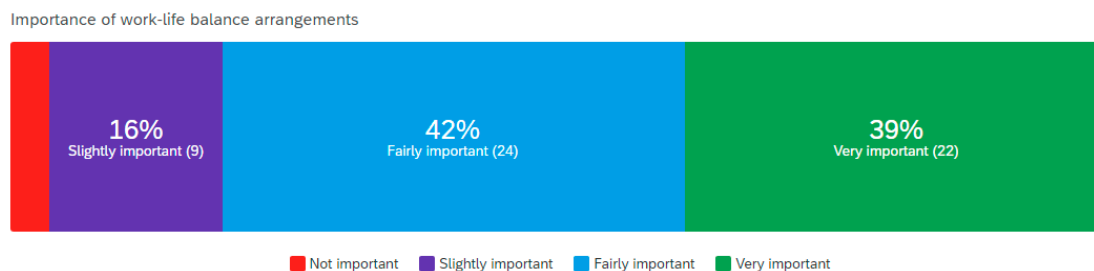


Figure 11: Importance of work-life balance arrangements

⁹⁵ “Business and individual attitudes towards the future of homeworking, UK: April to May 2021,” Office for National Statistics, June 14, 2021, <https://www.ons.gov.uk/releases/businessandindividualattitudestowardsthefutureofhomeworkingukaprilto2021>.

Level of Representation and Voice

“When looking for employment opportunities, how important overall is the level representation and voice you are given within the company? This may include trade union representation or worker councils.”

Research from the CIPD found that almost half of employees are not satisfied with their level of voice in the workplace, with younger employees being disproportionately represented in these categories.⁹⁶ It is also one of the seven key characteristics of the GMGEC. Of the 56 respondents, 26.8% believe employee voice is very important, 30.4% say it is fairly important, 32.1% say it is slightly important, and 10.7% say it is not important. No significant differences were found across different demographics. While the responses would indicate that the level of voice and representation are not the most important features in defining ‘good quality employment’, a vast majority of respondents consider the level of representation at least slightly important. Thus, promoting employer behaviour which encourages employees to express their views may be one way to incentivise graduates to work and remain in the Greater Manchester region.

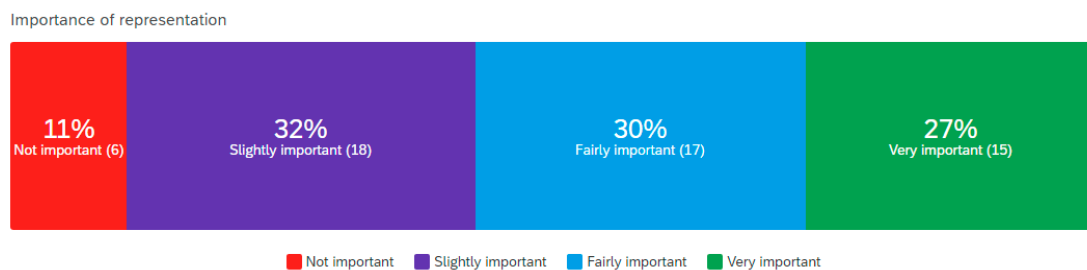


Figure 12: Importance of representation

Open question

Aside from the questions on good quality job factors, our survey also asked one open ended question: ‘*What would attract you to stay in Greater Manchester after your studies?*’. In total, 47 people answered this question. The responses to this revealed some factors that we had not considered or that did not apply to our classification of good quality jobs, but might still be of interest to policy makers.

⁹⁶ CIPD, *Talking about voice: employees’ experiences*, (London: CPID, 2019), https://www.cipd.co.uk/Images/talking-about-voice_employees-experiences_tcm18-54482.pdf

One major theme within the responses was the appeal of Manchester as a socially and culturally rich city. In their research on graduates in the North West, the sample of which was dominated by graduates from the Greater Manchester area, Prospects Luminare have found ‘an overwhelming recurrence of references to family and friends’⁹⁷ and that overall ‘staying in the region was a positive choice’⁹⁸. Our findings corroborate this. Seven respondents mentioned wanting to be close to friends and family as a reason for either leaving or staying in the area. Manchester also has a great appeal to our graduate sample because of its culture, social life, and overall quality of life. 13 respondents referenced this, for example ‘the atmosphere of the city and its people’, ‘lots going on culturally’, ‘the nightlife’ and ‘it’s my home’ which shows an affinity to the area independent of job opportunities and job quality. However, one person also found that the ‘area, and levels of diversity’ were not as good as in London.

Another key factor as to why Manchester is appealing is the (relative) low cost of living. This was referenced by 12 participants, two of which specifically referenced the low housing prices of the area. Estimates show that the cost of living in Manchester as a graduate, including rent, food, transport and extras such as a gym membership, is around 18.27% lower than in London.⁹⁹

However, our responses also revealed areas that Manchester is currently lacking in and could improve on. Seven respondents stated that higher salaries would attract them to stay in the region, which underlines the importance of wages in graduate employment analysed above and again demonstrates that this is a critical weakness of Greater Manchester as a region, especially in comparison to London.

The second factor that would attract our sample to stay were work opportunities. Two people were satisfied with the possibilities in their sector. However, 18 respondents felt that the Greater Manchester area needs more job opportunities and this was often connected to the demand for higher wages as well. Work opportunities were therefore the most common response to the question about what would attract people to stay in Greater Manchester. More

⁹⁷ Eileen Cunningham and Fiona Christie, *‘There’s no place like home’: an exploration of graduate attitudes toward place and mobility*, (Bristol: Prospects Luminare, 2019), <https://luminare.prospects.ac.uk/no-place-like-home-graduate-attitudes-toward-place-and-mobility>, p. 15.

⁹⁸ Ibid, p. 3.

⁹⁹ Lara Billington, “A graduate’s cost of living in London vs. Manchester,” Gradtouch, June 28, 2016, <https://www.gradtouch.com/advice/article/cost-of-living-comparison-manchester-versus-london>.

specifically, three people wanted more graduate schemes, including one person asking for more civil service fast stream places. Other factors mentioned were having more jobs that matched career expectations and had more opportunities for progression as well as more public, third sector, graduate schemes and think tanks roles.

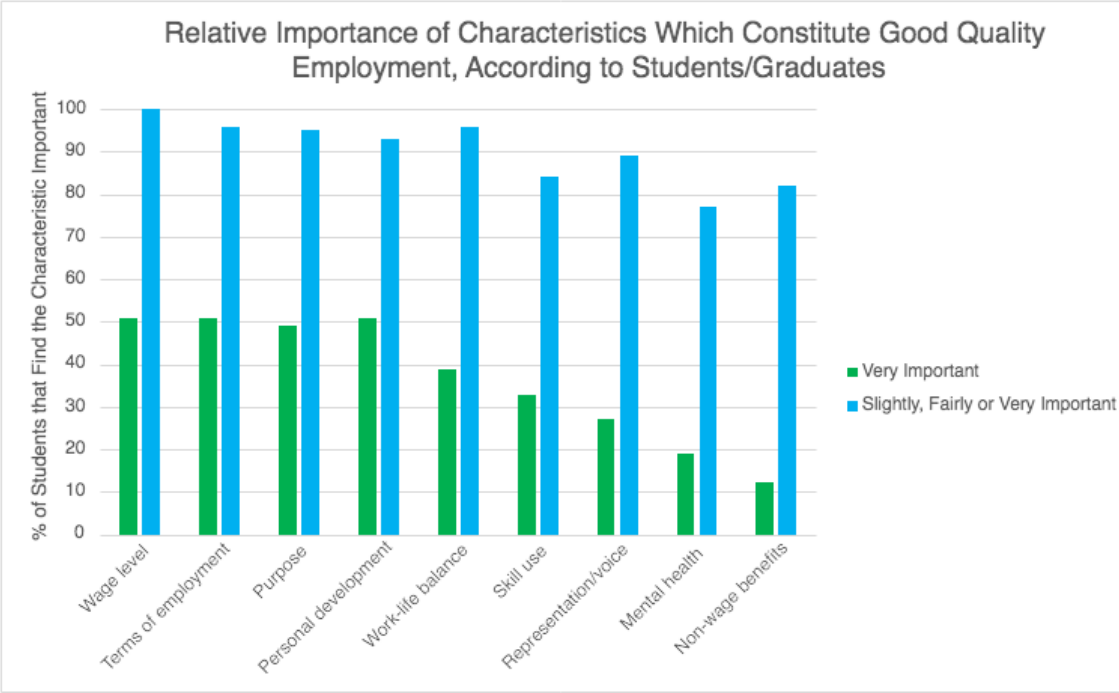


Figure 13: Comparison between variables of importance to participants

Additionally, some respondents mentioned cheaper transport and easier access to visas as something that could be improved to attract graduates to the Greater Manchester area.

Overall, the findings of this open question corroborate previous research. The Centre for Cities declared access to employment as “the most important factor influencing graduate location decisions”¹⁰⁰ and recommended an expansion of job opportunities to attract more graduates to work in Manchester.¹⁰¹ However, the city should also work on advertising the graduate opportunities already available. On a positive note, our findings support the results of Prospects Luminate,¹⁰² that Manchester has a big appeal to graduates as a place of culture and social connections.

¹⁰⁰ Centre for Cities, “The Great British Brain, p. 24.

¹⁰¹ Ibid, p. 31.

¹⁰² Eileen Cunningham and Fiona Christie, ‘There’s no place like,’ p. 3.

London vs. Manchester

“Do you believe there are better quality employment opportunities in Greater Manchester or London?”

This question was asked to establish the general consensus on graduate opportunities and good employment between the two places. In total, 47 participants answered this question. Only 8.5% (4 respondents) believe there’s better quality employment opportunities in Greater Manchester, meanwhile 91.5% (43 respondents) believe London has better employment opportunities. Moreover, this question was also tested for any significant demographic differences (Active in labour market, Gender, Race, Region, University in GM) however no significant differences were noted. Regardless of demographics, it appears that the overwhelming majority believe that London has better quality employment opportunities. While such a finding was not unexpected, it certainly highlights the general preferences held by students/graduates which must be changed to retain more young professionals in Greater Manchester. Policy makers, employers, and institutions must work together to create better employment opportunities in the area if there is to be any chance of challenging London as the place for graduate’s preferences.

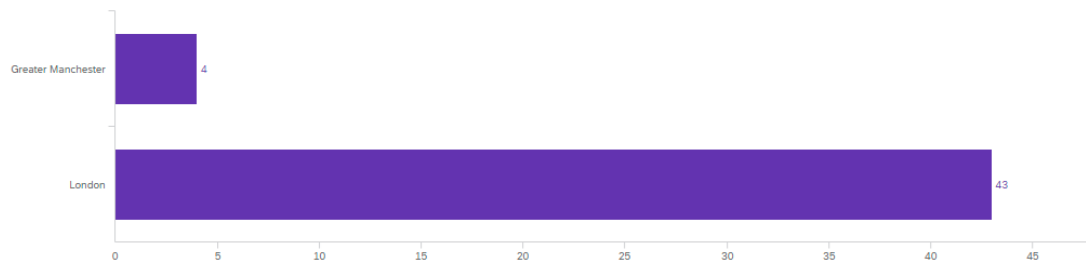


Figure 14: Contrast of votes for greater opportunities in London or Manchester

Policy Recommendations

1) Macroeconomic

It is evident given the importance placed on wage levels by the survey respondents that the wage disparities between Greater Manchester and Greater London are a key cause of this Brain Drain. If Greater Manchester wishes to attract more graduates to stay in the area, then it needs to focus on creating a competitive labour market to attract a greater number of high-salary firms to set up operations. This in turn will create more opportunities and competitive salaries for graduates. In particular this can be achieved through:

2) Improving Education Systems

Greater Manchester Combined Authority and the council's partners, such as the universities and businesses, should aim to increase the quality of local talent so when students begin employment companies benefit from a higher number of high achievers. Prioritising the development of essential transferable skills within colleges and places of higher education will mean that graduates are ready to complete high quality work once they have started employment. Additionally improving schools will make Greater Manchester more desirable for talented workers with school age children.

3) Wage Bursaries

Investment can be placed in the creation of wage bursaries as an incentive for firms to build headquarters and branches in Manchester. The government can give wage packages to companies with the intention of increasing the starting graduate salaries.

4) Internal/HR

Another key cause for the Brain Drain identified through the survey responses was the lack of internal opportunities that companies offer within the North West. Graduates are keen on building skills and fulfilling a purpose in their work, as well as having clear terms of employment. The broader range of businesses in London means that job-seekers are better able to find opportunities that provide the chance to develop these skills. If Greater Manchester wishes to retain graduates it needs to showcase the choices available in the city. It is ultimately down to businesses to signal their attractiveness based on what is important to graduates, in particular through:

5) Having clear terms of employment

Terms of employment are a key aspect of determining job quality and as such businesses need to be transparent in what will be expected of their employees. Job hours and expectations should be made clear in job adverts, interviews, and be carried on into working hours.

Companies need to have strict rules that prevent employees from working excessively beyond their contracted hours. Additionally, more involvement of unions for representation at the workplace is needed.

6) Increasing scope for personal development

Businesses need to ensure that they are giving the opportunity for new hires to be able to work on important projects. Increasing the potential for individual growth in graduate level jobs is one practical way to increase graduate retention.

Conclusion

Ever since the industrial revolution, Manchester has led by example when it comes to changing work environments. This innovative spirit regarding work must be reinvigorated, through a combination of public policy reform and changing employer attitudes, in order to challenge London and other UK cities for recent graduates. This research adds to the conversation, by investigating the important characteristics of good employment for students and recent graduates. In doing so, we have established effective channels through which graduate preferences towards the Greater Manchester area can be changed.

Overall, the findings show that graduates place a lot of importance on the characteristics which are presented in the Greater Manchester Good Employment Charter. The wage level ranks as the most important of all factors, whilst non-wage benefits ranks as the least important. This implies that graduates, like the vast majority of the labour force, prioritise income (especially during the early period of one's working life where an individual is trying to establish financial independence) over non-monetary factors. Consequently, the increased provision of real living wages in Greater Manchester seems to be the most effective method to increase graduate retention.

Perhaps the most surprising result from the survey is that mental health considerations in the workplace ranked the second least important. This may be due to social norms which induce a separation between personal issues and professional environments. Alternatively, the results may simply be a result of our small sample size, which is a limitation to the primary research. Despite the low ranking in relative terms, 77% still found this factor somewhat important, meaning it should not be ignored as a way to improve employment conditions.

Increasing scope for personal development, emphasising the importance of work, preventing employees from working excessively beyond their contracted hours and reforming employment contractual agreements themselves are all ways in which employment in Greater Manchester can quickly become more appealing to recent graduates. If Greater Manchester is to seriously challenge as a viable alternative to London and its surrounding areas, then more will need to be done in terms of incentives other than promoting the lower cost of living.

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