

NUS Services for the British Academy

Student attitudes to debt and its
impact on postgraduate participation

Report

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Executive Summary

Executive Summary

NUS Services was commissioned by the British Academy to conduct research into Student attitudes to debt and its impact on postgraduate participation.

As part of this research, an online survey with 4211 undergraduate respondents was completed and the main findings from this phase have been outlined in the following report.

These findings can be supported by additional, indicative phases of research; eight focus groups with postgraduate students and 565 completed online surveys with recent graduates. A summary of the focus group findings can be found in a separate appendix document, along with extra charts from the undergraduate survey and all charts from the graduate survey.

The appendices also outline the methodologies used for each phase.

Executive Summary

Main Findings

It is clear from this research that student debt is not considered to be the same as 'real debt', with real debt defined as overdrafts and bank loans. It is also not having as negative an impact on participation in postgraduate study as initially thought.

It appears that those who have undertaken to pay the increased tuition fees in order to study are less concerned than first imagined, most probably due to the increased normalisation of taking on a student loan, and therefore debt. Debt is instead perceived to be part of the student culture and is no longer the taboo it once was; the findings in this report suggest that because it is now customary, it's no longer challenged.

However, according to the University of Northumbria's study, what is perceived to be student 'debt tolerance' may rather be evidence of a lack of 'financial literacy' (University of Northumbria, *Students and debt*, 2005). While students realise that higher education is expensive, increasingly complex student finances mean that there is a lack of understanding with regards to the realities of living day to day in debt.

Executive Summary

This lack of financial education, along with the prevalence of student loans in the UK Higher Education system, it is suggested, leads students to hold a view that student loans are a means to an end for students and a necessary part of attending university.

Recommendations

As such, the following recommendations are made:

- Students should be offered support and information regarding their loan and financial management during their first year at university.
- Any balanced debt education should be part of a broader package which covers not only student debt, but also information and guidance on surviving the hidden costs of education, the costs of living as a student and using money wisely.
- Any information provided on funding needs to be clear, consistent and reliable.

Main findings

Reading this report

These boxes in the report indicate where there are any **significant differences** by respondent type compared with the rest of the groupings.

Significant differences are highlighted in the report with regards to socio-economic groupings.

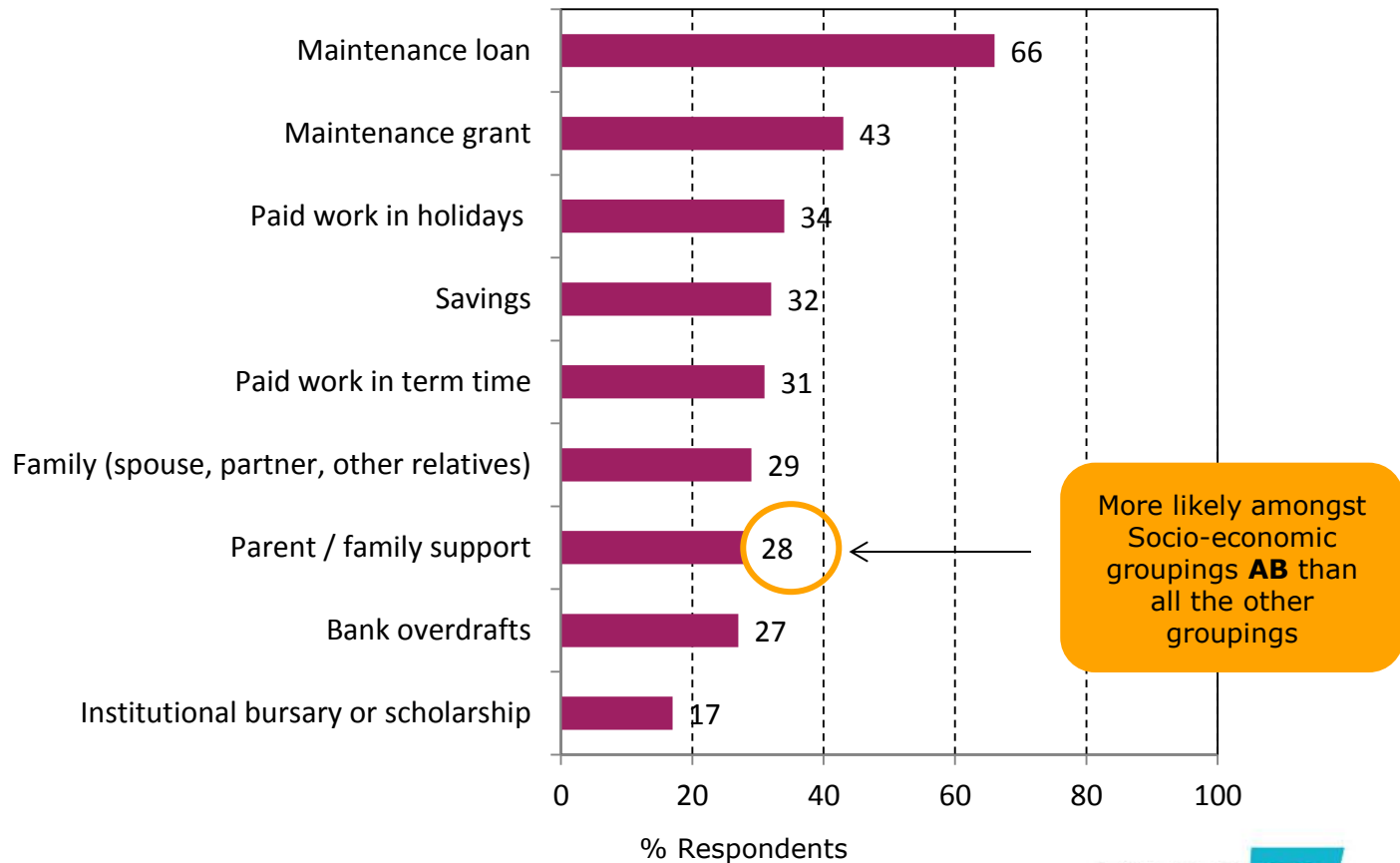
The population can be divided into 6 socio-economic groups or social grades, which are based on the occupation, or job, of the head of a household. Questions A11 and A12 were used to define the socio-economic groupings of the respondents and more details can be found in the appendices. The groupings are:

- A**- Higher managerial, administrative, professional
- B** - Intermediate managerial, administrative, professional
- C1**- Supervisory, clerical, junior managerial
- C2** - Skilled manual workers
- D**- Semi-skilled and unskilled manual workers
- E** - Casual labourers, pensioners, unemployed

1. Student debt isn't considered to be a 'real debt'

Two thirds of undergraduate respondents finance their time at university with a maintenance loan. A variety of other sources account for the funding package of students, including paid work in the holidays, savings and relying on family or spousal support; parental support is more likely amongst those from socio-economic groupings A and B

C3. Which, if any, of the following do you use to finance your time at university (Most common answers)?



Respondents appeared to have a clear understanding of debt and would define it mainly as owing money and as something that needed to be repaid

C1. How would you define debt? (Open ended)

- Owing money
- Something that needs to be repaid
- Being unable to afford something / spending more money than you have

"Money that has to be paid back/owed."

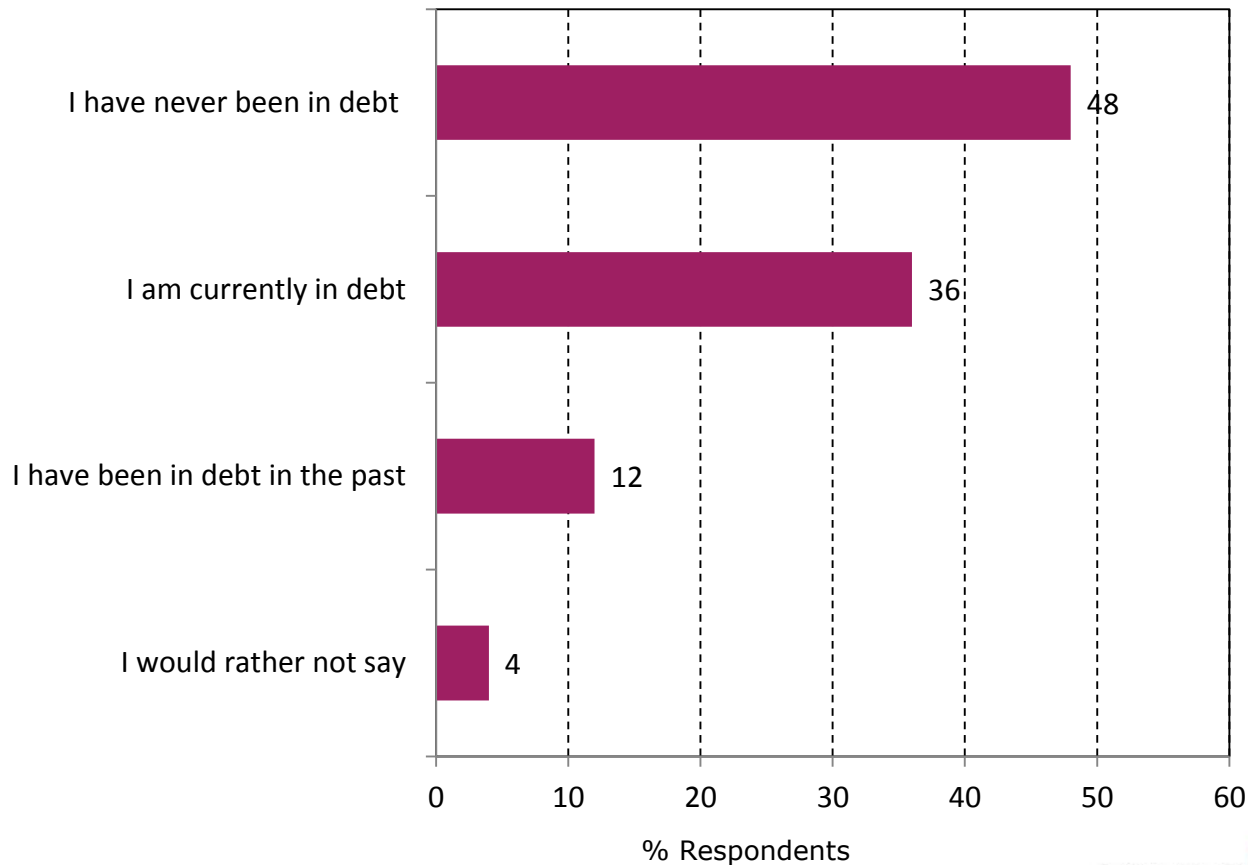
"Borrowing money to pay for something beyond your means."

"Debt means being 'in the red', you owe money to someone or an organisation that you will at some point have to pay back."

"Owing a substantial amount of money at any one time, perhaps owing more money than you can afford to pay off on a monthly basis."

Despite two thirds of undergraduate respondents financing their time at university with a maintenance loan, and a good understanding of what debt is, close to half claimed they have never been in debt. This suggests that while students may have a maintenance loan to fund their time in Higher Education, they don't necessarily link this to being in debt.

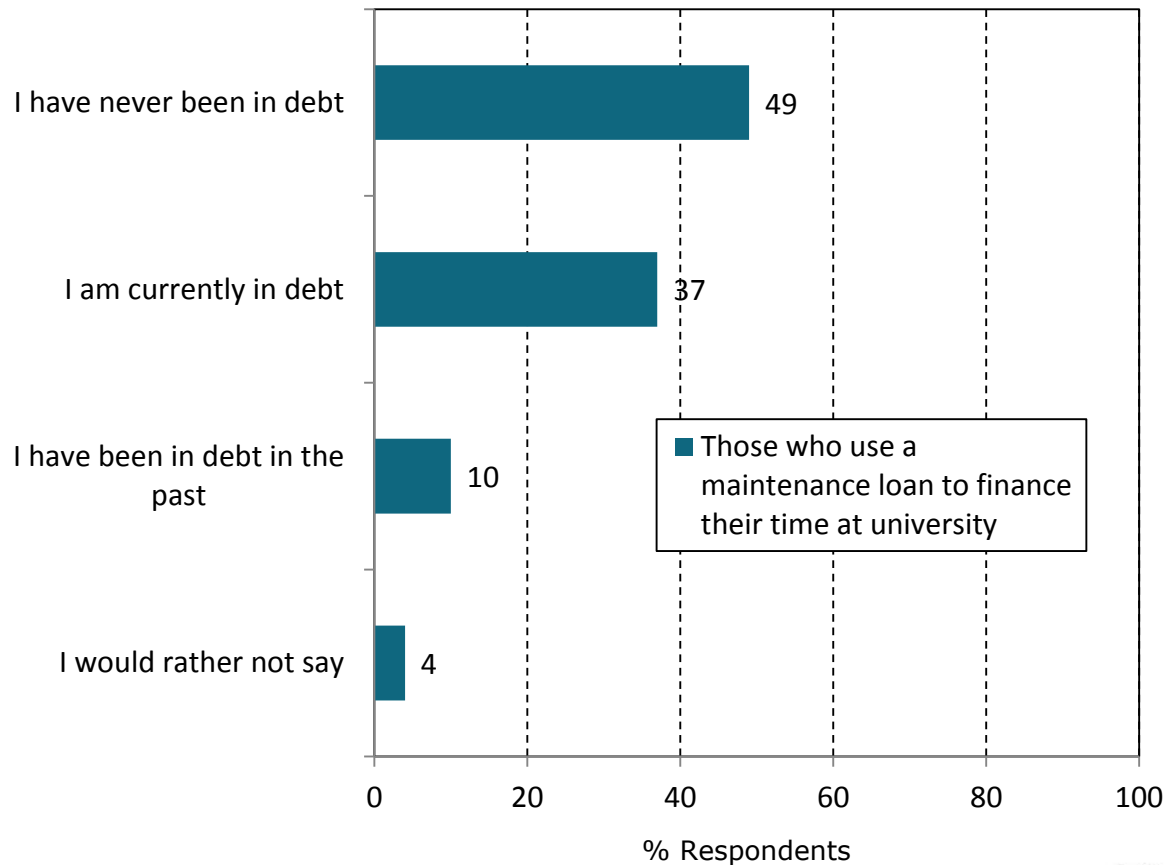
D1. Which of the following best describes your experiences of debt (not including a mortgage)?



Base: 4201 Respondents. Balance: No response

It is perhaps, therefore, important to make the distinction between student debt and other kinds of debt. While approximately three quarters of respondents to the undergraduate survey defined debt as owing money as a result of a loan, this chart reveals that only around a third of those who use a maintenance loan to finance their time at university considered themselves to be in debt.

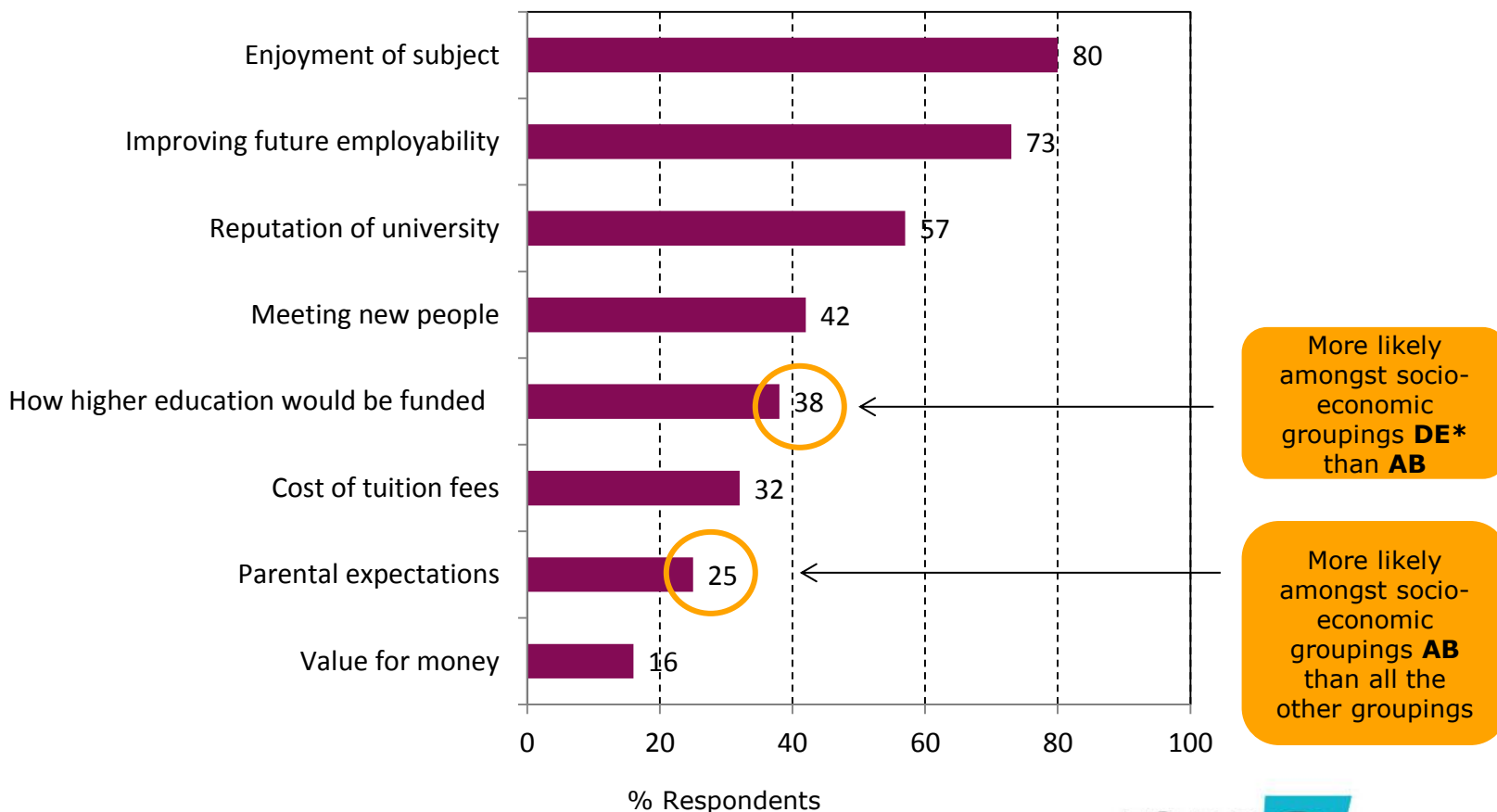
D1. Which of the following best describes your experiences of debt?



Base: 2760 Respondents using a maintenance loan to finance their time at university

A lack of financial consideration is highlighted by the main issues indicated when thinking about higher education. Enjoyment of their subject was the main consideration for respondents, with financial aspects being a thought for approximately two in five students, particularly for those from lower socio-economic groups.

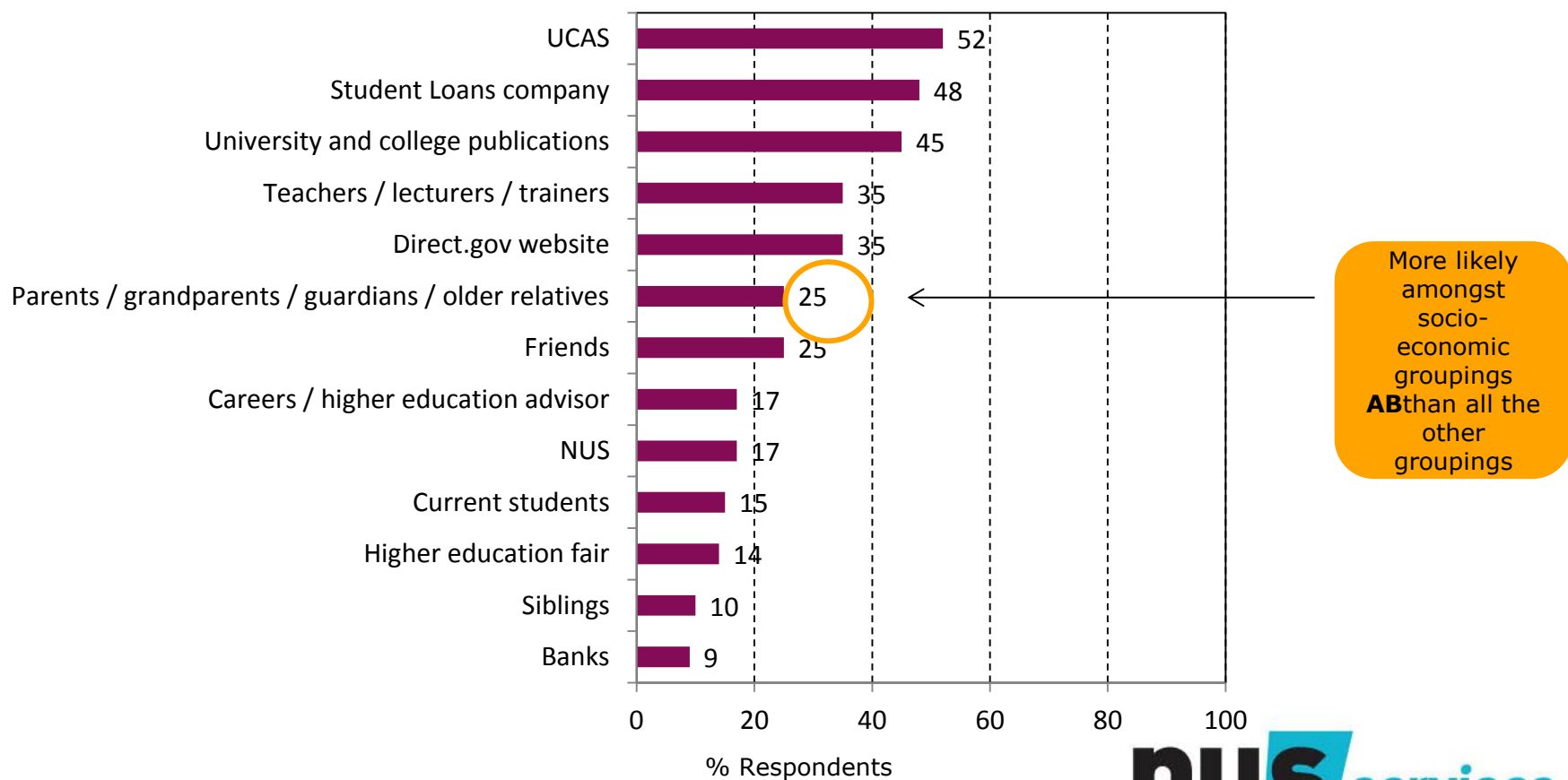
B1. Thinking back, which of the following did you take into consideration when deciding to enter into Higher Education?



2. Funding and information about debt

This chart indicates the number of options available to undergraduate students in terms of information regarding funding for an undergraduate degree course. UCAS and the Student Loans Company are the most commonly indicated sources of financial information for students prior to attending university. Those from socio-economic groupings A and B were more likely to look to their parents for information than other groupings.

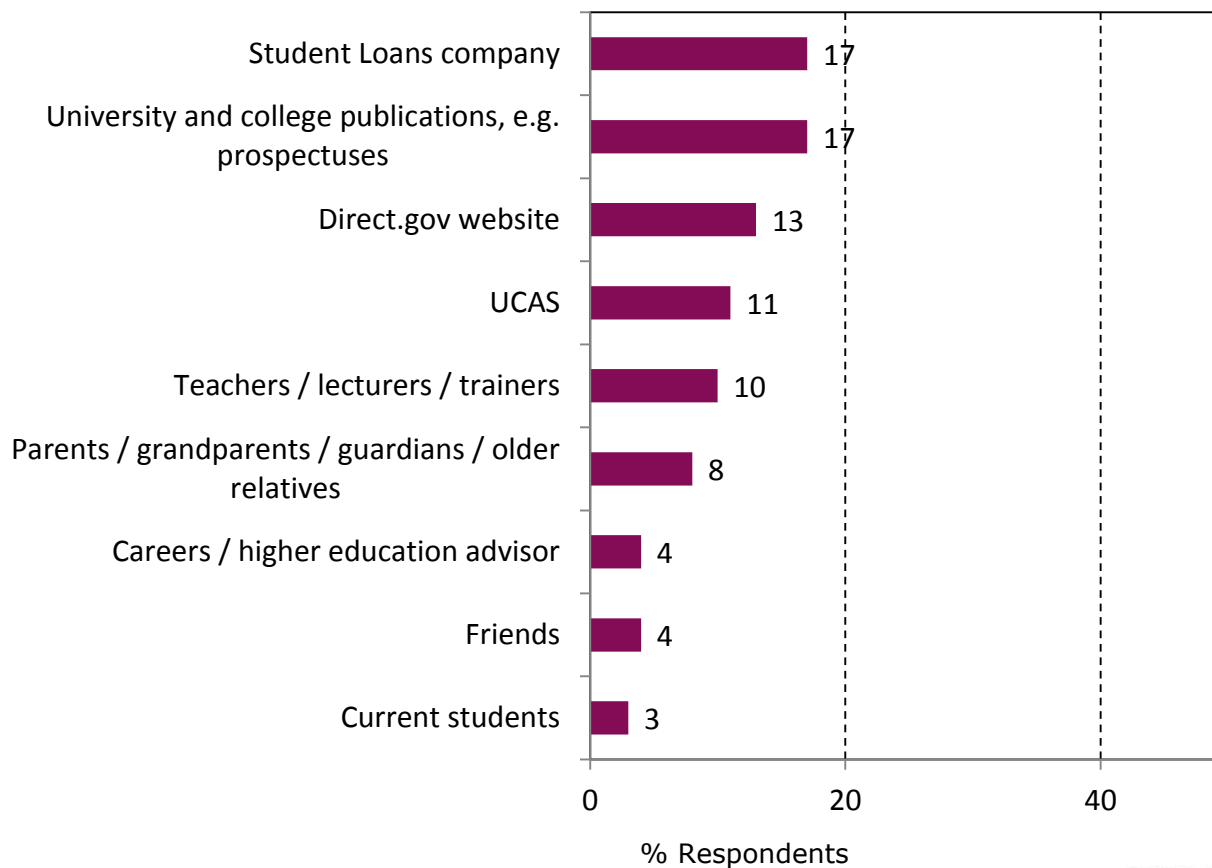
B3. From which of the following sources, if any, did you receive information or advice about your financial entitlements prior to becoming a student (most common answers)?



Base: 4211 Respondents
NB. Multiple response

The student loans company and university prospectuses were found to be the most useful sources of information for those seeking information before beginning university. Direct.gov and UCAS were also highlighted as useful ports of call

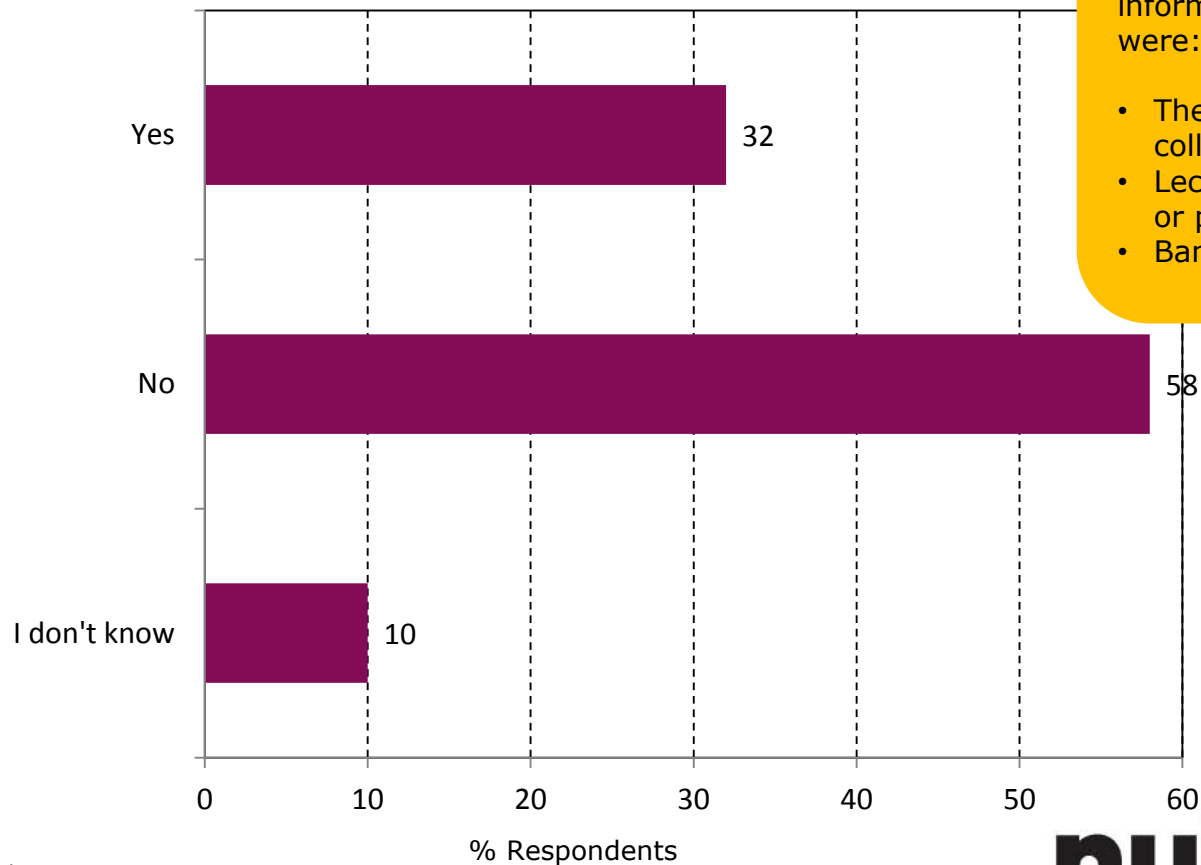
B4. Which of these, if any, did you find the most useful (most common answers)?



Base: 3786 Respondents. Balance: No response

When asked specifically about debt only a third of respondents highlighted that they had received information on this area before becoming a student

E1. Did you receive or read any information specifically about **debt** prior to becoming a student?



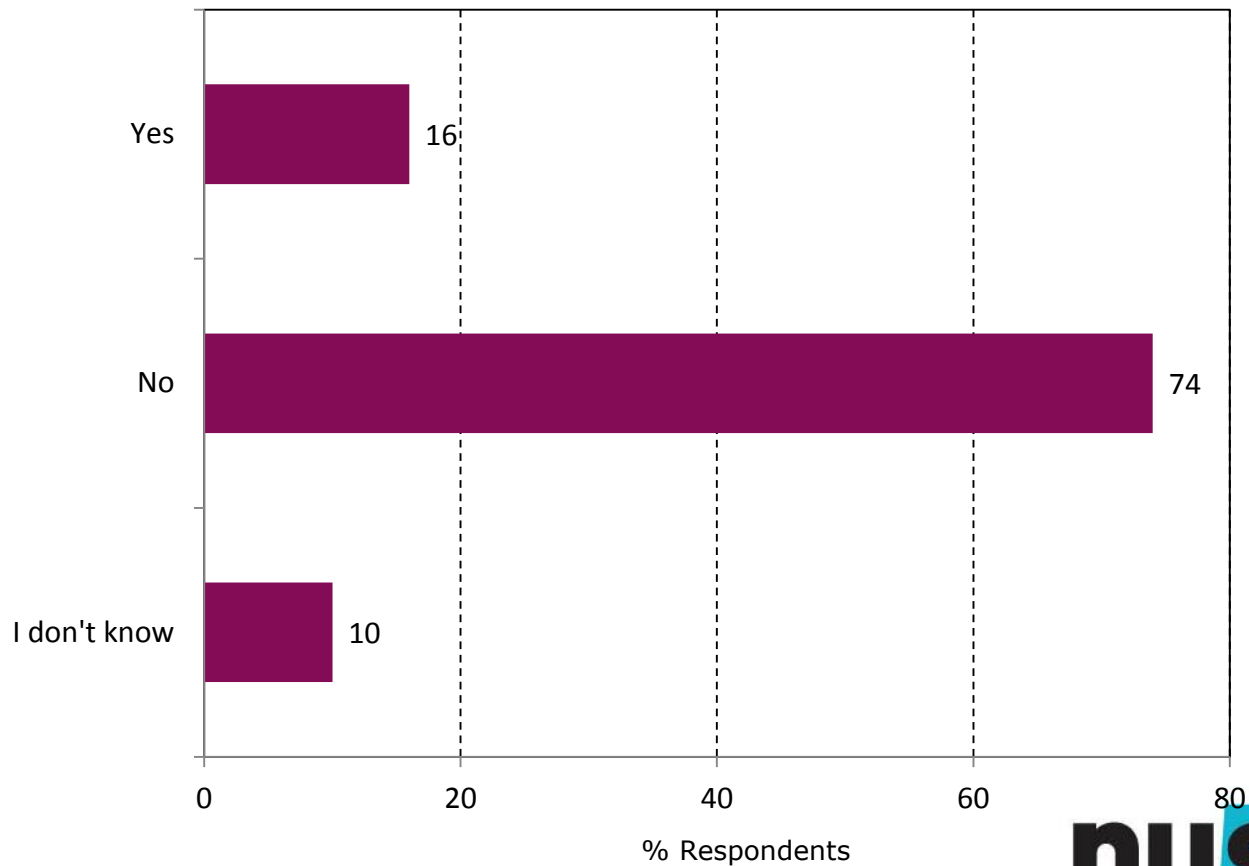
The most common sources of debt information indicated were:

- The university or college (33%),
- Lecturers, advisors or peers (17%)
- Banks (15%).

Base: 4198 Respondents . Balance: No response

A similar picture emerges with regards to being a student; three quarters of students indicated they have received no information specifically about debt while they have been in university

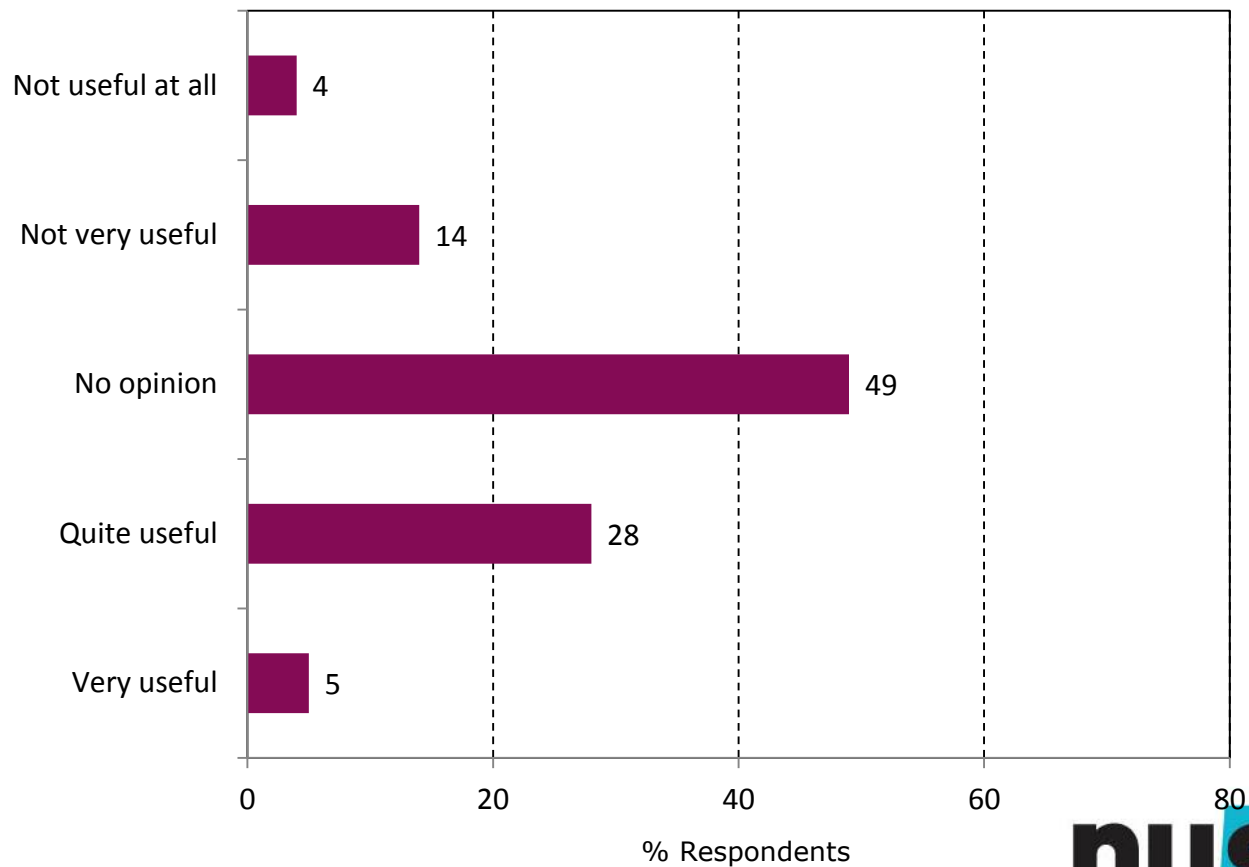
E5. Have you received any information specifically about debt whilst you have been a student?



Base: 4195 Respondents . Balance: No response

The majority of respondents had no opinion on any of the information they have received about debt, presumably because the majority of them have not received anything

E8. Thinking of ALL the information you have received on debt (both prior to and whilst at university), to what extent have you found it useful?



Base: 4188 Respondents . Balance: No response

However, further data from the survey suggests that students would like assistance with debt education. In asking them how the information given to them could have been improved, respondents indicated that they would appreciate assistance with a number of areas, for example, with regards to repayments of the loan, the cost of living whilst at university and managing debt.

E10. In what way, if any, could the information have been improved? (Open ended)

- Information about managing debt
- How to pay off loans and debt
- More information on loans and funding available and what is needed to get through university
- Budgeting advice, managing cost of living

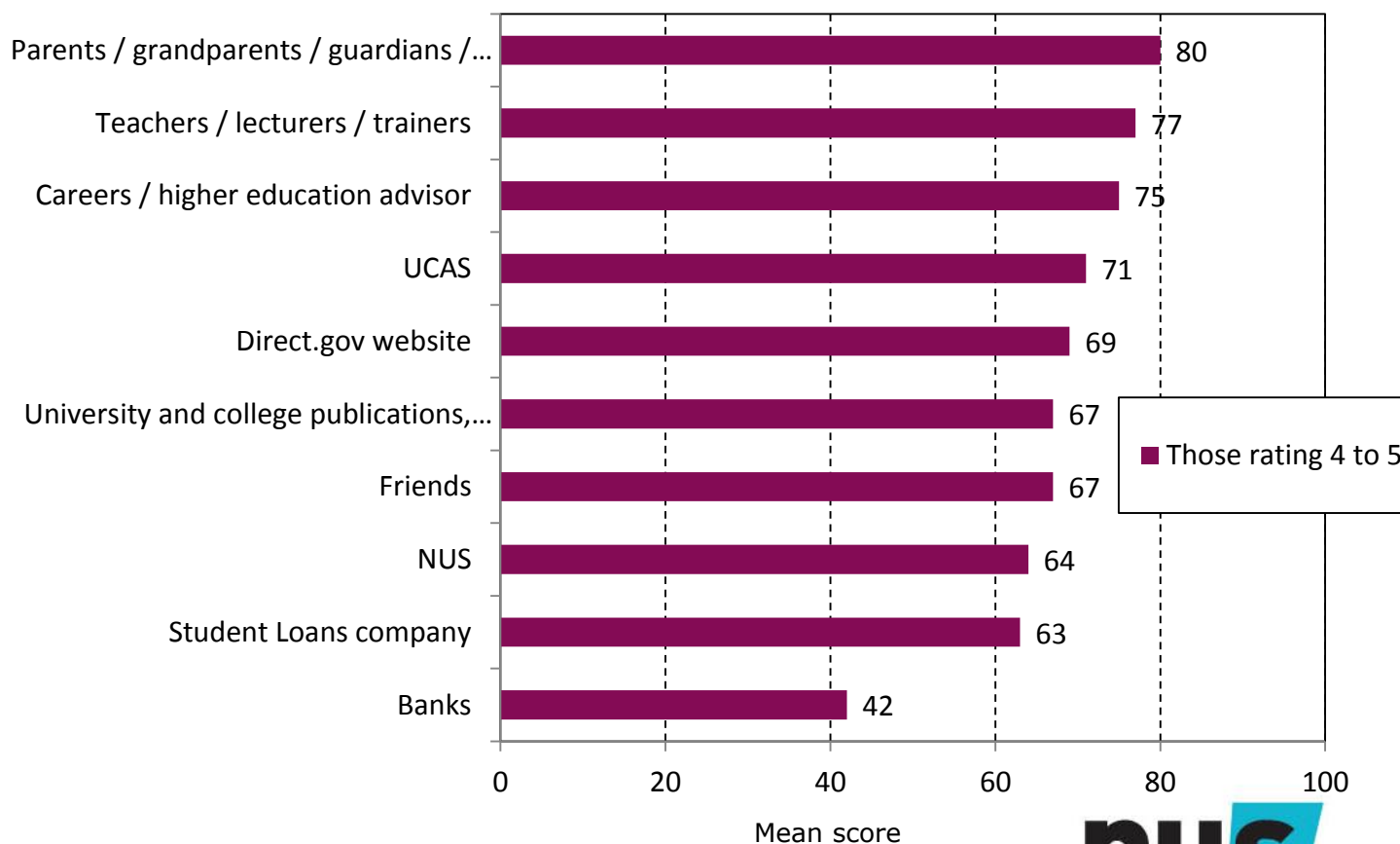
"About the payments you can expect to start paying once you've finished university and have to start paying the debt off."

"How to manage money around living situations, taking into account things like food shopping and going out. Rather than just concentrating on the education fee's and accommodation."

"A simple easy guide on how to manage money and minimise debt."

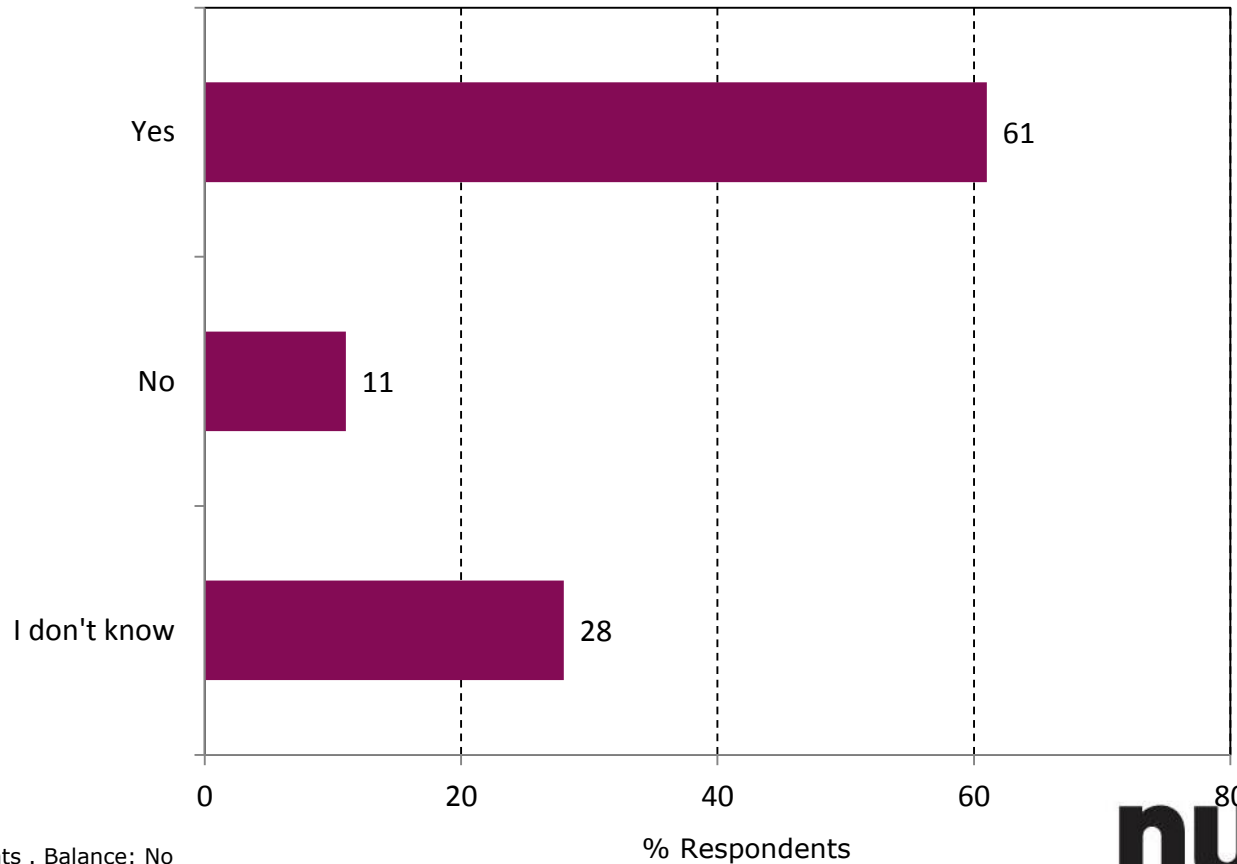
Respondents also highlighted the most trustworthy sources of this sort of advice. Parents, guardians and teachers were felt to be the most reliable, followed by UCAS and Direct.gov. Banks were the least trusted source of information.

E3. How trustworthy would you find these sources of information (on a scale of 1 to 5 where 1 is not trustworthy at all and 5 is very trustworthy)



While around two thirds of respondents indicated the trustworthiness of their institution as a source of financial advice, a similar proportion also believe that institutions have a role to play in debt education

E11. Do you think your institution should play a role in debt education?



Base: 4194 Respondents . Balance: No response

Those who felt that the institution should play a role in debt education explained their answer further by highlighting that debt is common amongst students, that the university is responsible for charging fees and is therefore the cause of the debt, and that there's not enough support elsewhere (E12).

E12. Why should the institution play a role in debt education? (Open ended)

- Debt is common amongst students
- They are responsible for debt (e.g. tuition fees), so it's thought to be their responsibility
- There's not enough support from other sources
- New students are inexperienced in money management and need this support

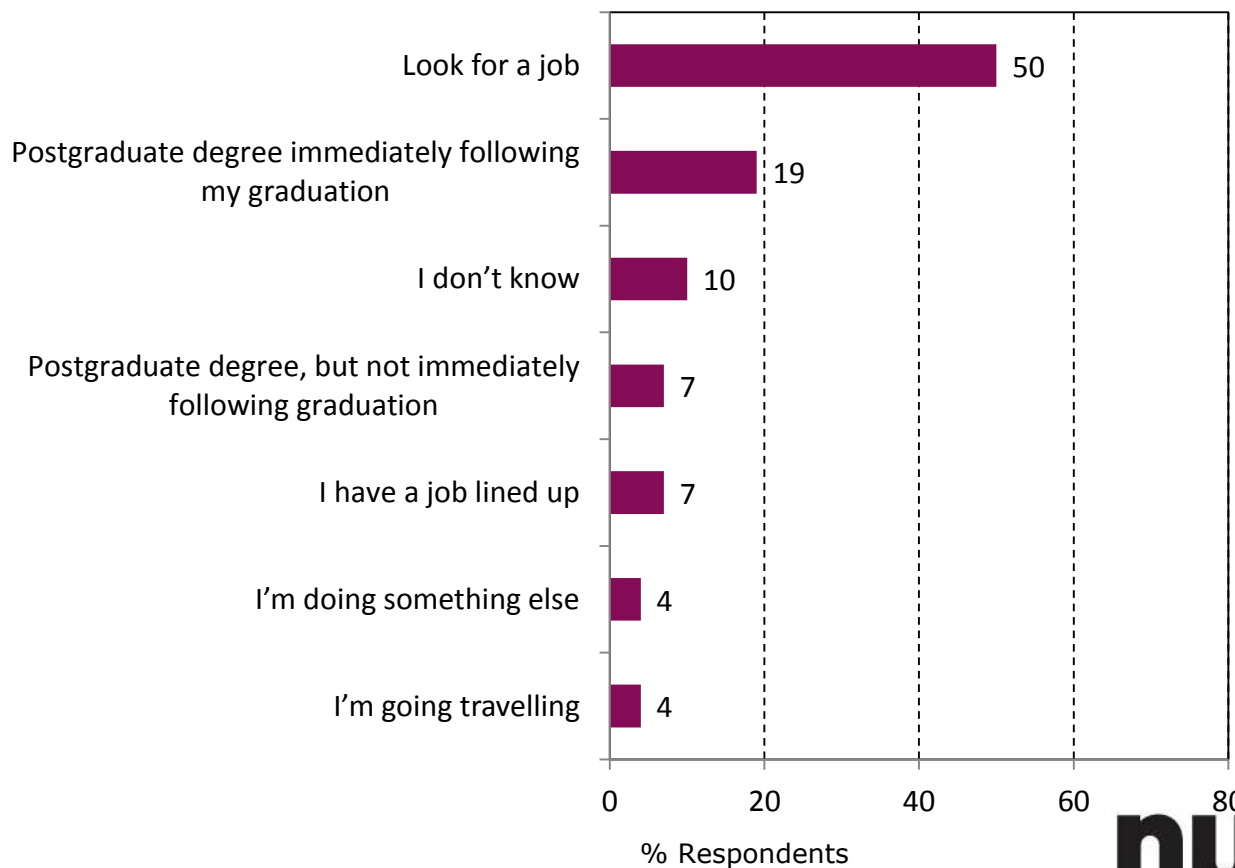
"Almost all students at university will have had no choice but to take on debt to attend so they should have some responsibility towards their student who would not be there otherwise."

"There is not enough direct information for students about money management."

"Because for the majority of students debt is an issue and being away from home for the first time means there is no one to look over our finances; it would make sense to show us how to manage that burden."

The majority of respondents claim they will look for a job following graduation. One in 20 indicate their desire to continue with a postgraduate degree following graduation, with a further 7% highlighting that they would like to do a postgraduate degree eventually

F1. Which of the following best describes your intentions on graduation?



Postgraduate study is being considered by a third of respondents continuing with their studies due to it being a prerequisite for entry into their desired career

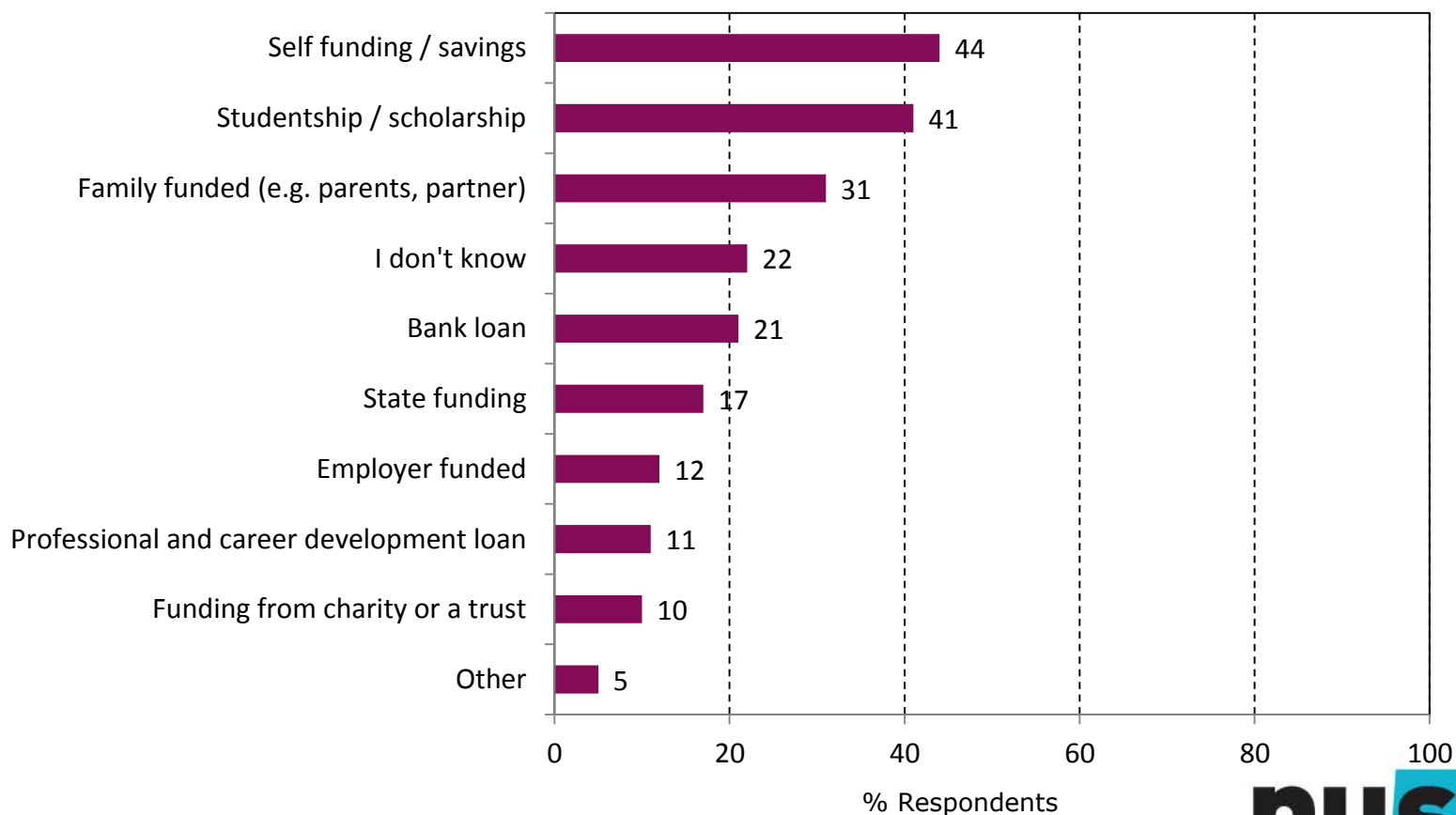
F2. Which of the following best describes your reasons for continuing your study with a postgraduate degree (Top 10 answers)?



Base: 1086 Respondents. Balance: Those not continuing with a postgraduate degree

This chart perhaps demonstrates the need for financial and funding information going forward into postgraduate course; a large proportion of respondents intending to go onto postgraduate education appear to be relying on gaining a studentship or scholarship to fund their studies.

F3. How do you intend to fund your postgraduate study?



Base: 1086 Respondents
Balance: Those not continuing with a postgraduate degree
NB. Multiple response

Respondents believe that increased financial support and a reduction in fees would encourage and enable more people to study at postgraduate level

F7. What, if anything, do you think could be done to encourage more people to study at a postgraduate level? (Open ended)

- More financial support / funding
- Reduce the cost of fees
- More information about the benefits
- Increase awareness of what's on offer and how to get support

"More funding! And more advertising as you really have to research to find out what's out there."

"More opportunities for financial support."

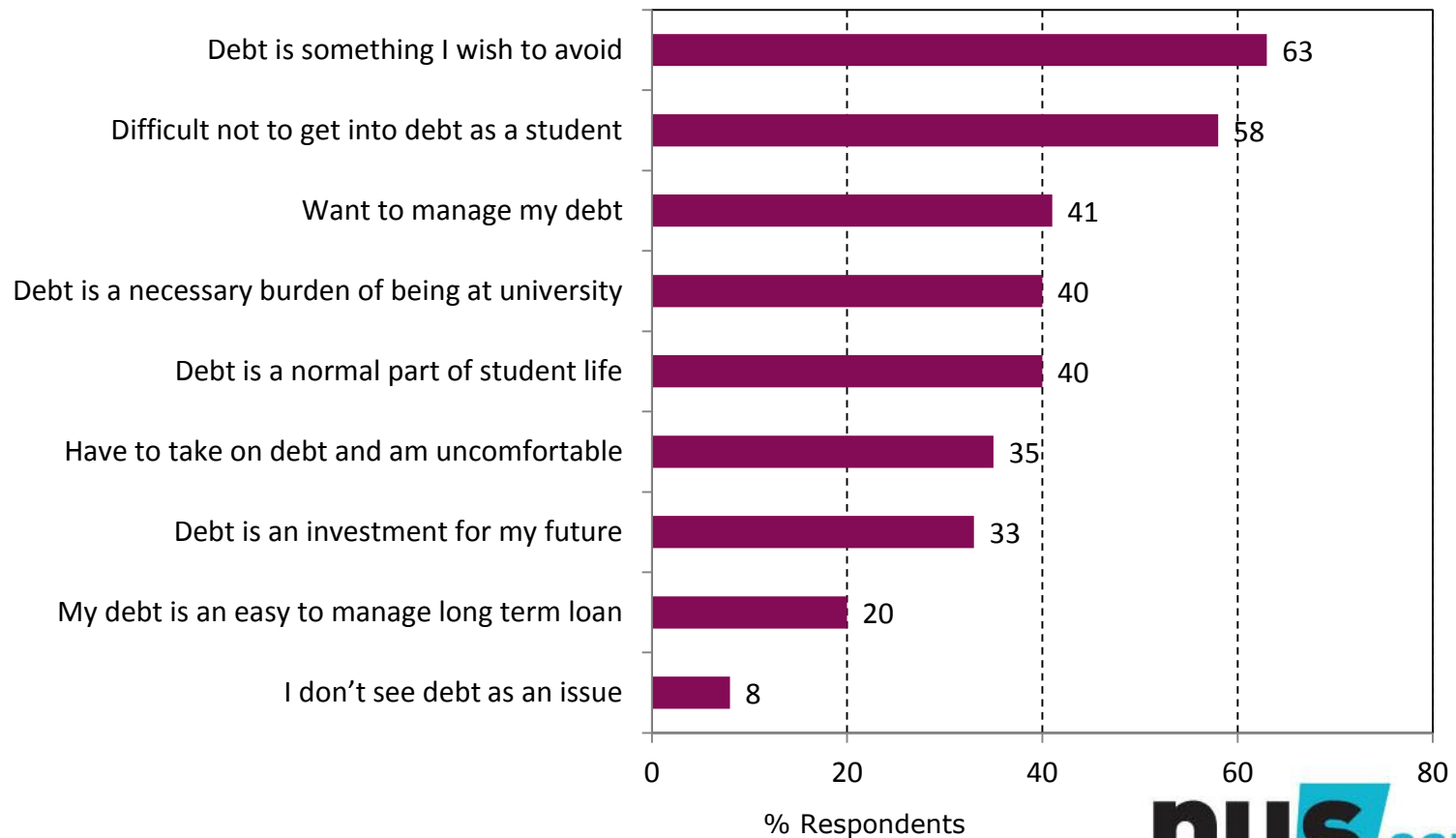
"Reduce the cost and increase funding."

"More education about the positive factors to studying at postgraduate level."

3. Student debt is a means to an end

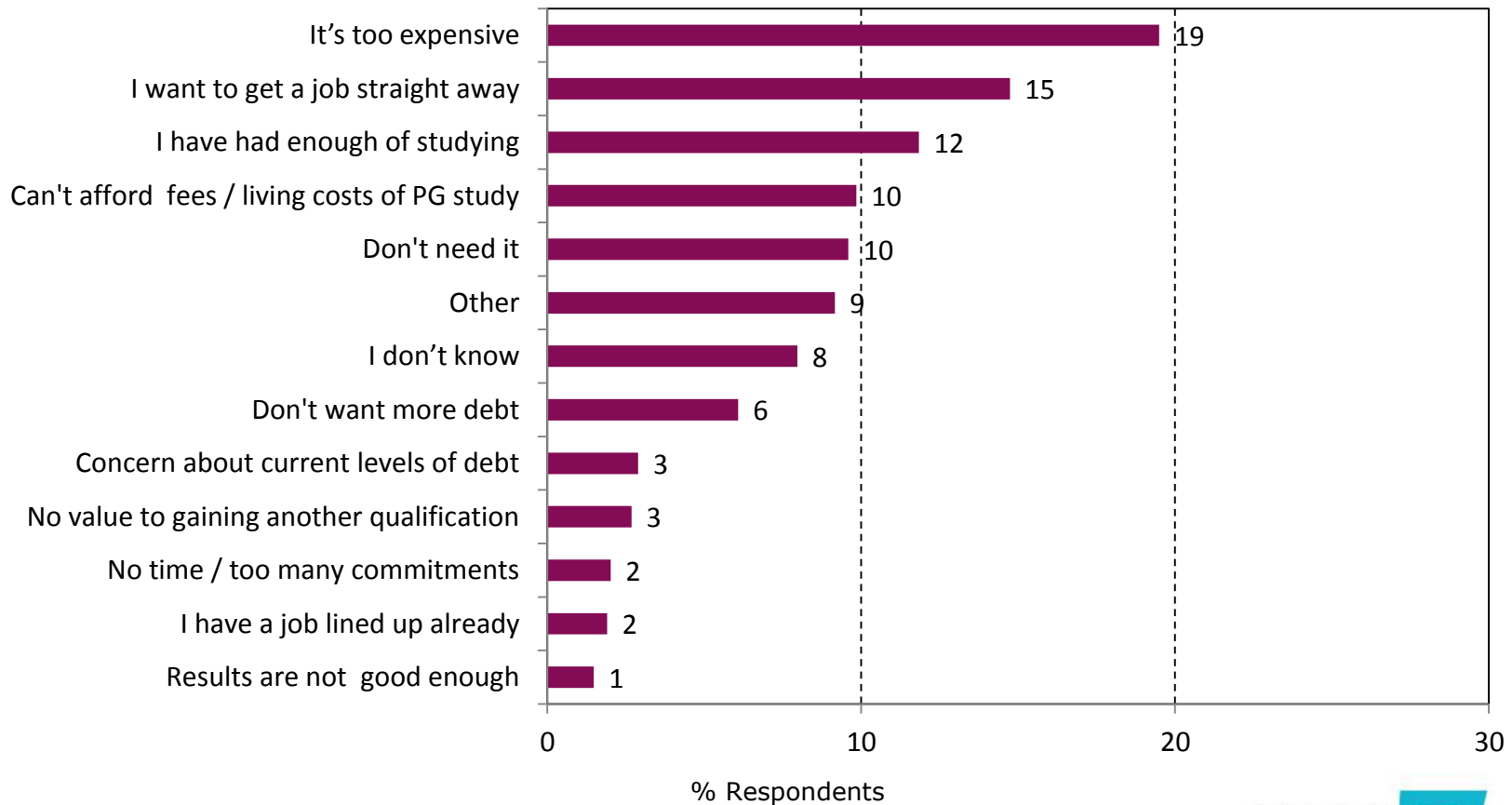
While two thirds of respondents indicated their desire to avoid debt, it is highlighted here that it is difficult not to get into debt as a student and indeed, it is a necessary burden of being at university and a normal part of student life. Around a third see it as an investment for their future. These findings indicate an acceptance of student loans and student debt; it is perhaps viewed as a means to an end for a number of students.

D7. Which of the following statements best describe how you feel about debt?



Debt was not the most common barrier to postgraduate study; instead, the main barriers for undergraduate students not continuing with postgraduate study, as highlighted here, are the expense of continuing with education, wanting to get a job straight away, and simply having enough of studying. Only a relatively small proportion highlighted their desire to avoid more debt

F4. Which of the following best describes your main reason for not pursuing a postgraduate course?



Base: 3115 Respondents. Balance: No response

To illustrate this further, it is the cost of further study that deters students from pursuing a postgraduate degree; it is also the thought of more debt accrued as a postgraduate, rather than any indication of current undergraduate student debt

F6. What factors, if any, do you think actively deter postgraduate study? (Open ended)

- Cost/funding and fees
- Thought of more debt
- Time - e.g. more study time/other commitments
- Intensity of work involved / not getting the grades / had enough of studying

"It's another year of studying. Not enough money to finance it."

"Getting into more debt."

"Cost and lack of financial support. No loans from student finance."

"Having enough of studying especially coming straight from school into Higher education."

"Studying too hard and not having a balanced work study and leisure time."

Indeed, it is the thought of a worthwhile investment that would most encourage postgraduate study; respondents believed the promise of a better job and career prospects would lead to more students pursuing their education further. Funding and financial support would also be welcomed, suggesting that further debt may not be thought of as a barrier.

F5. What factors, if any, do you think actively encourage postgraduate study? (Open ended)

- Better job/career prospects/earnings, demands of job
- Funding/financial support/cost e.g. lower fees
- Interesting subject/desire to learn/enjoy studying

"Advantageous edge in the job market, better future employment prospective, boost earning capacity."

"Better career prospects."

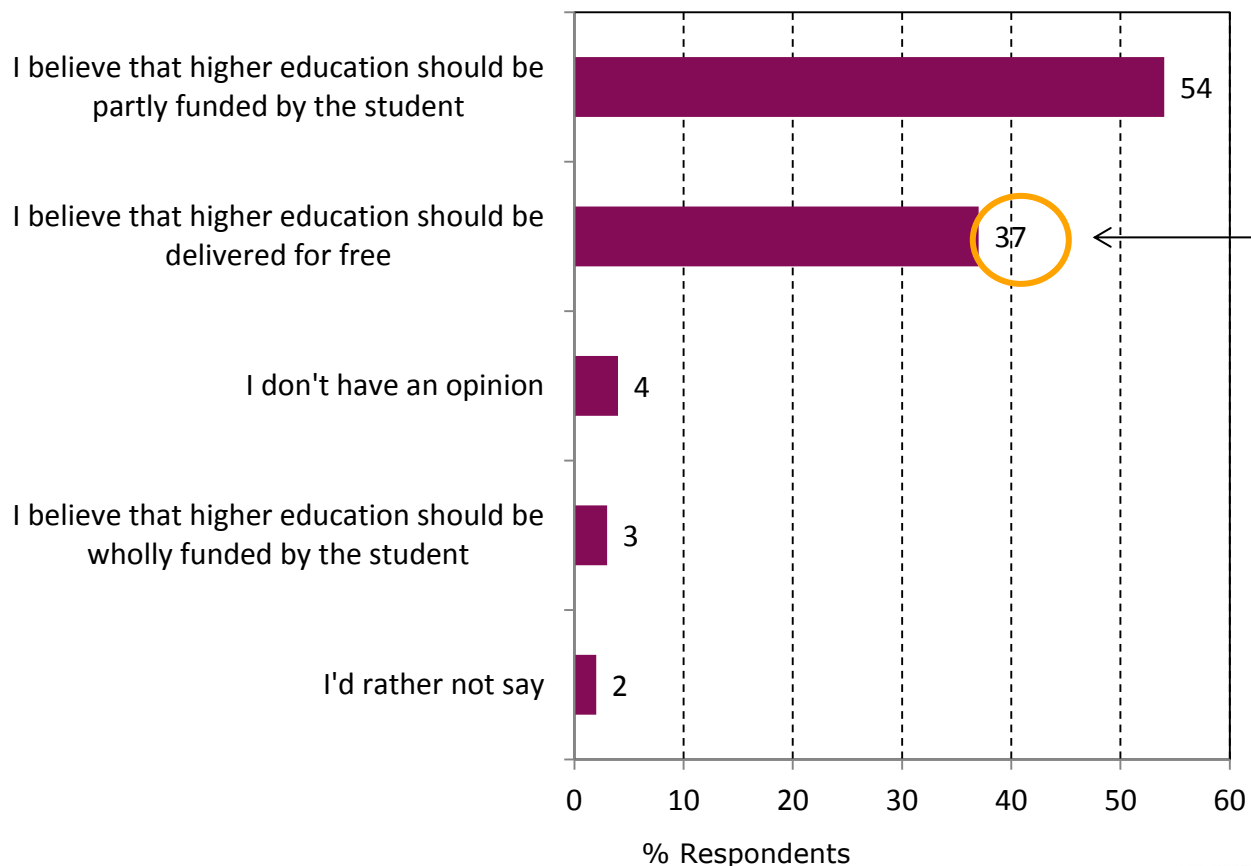
"Access to loans."

"A strong interest and enjoyment in the subject studied, and very much enjoying life in an academic environment."

"Availability of funding from scholarship."

Indeed, in a further acceptance of paying for education, the majority of undergraduate respondents believe that higher education should be partly funded by the student; it appears less contested that students should contribute towards the cost of their education. This leads to the expectation that fees and living costs require a loan to cover expenditure, indicating that some form of debt will be expected. However, it should be noted, that those from socio-economic grouping DE are more likely to believe that higher education should be free.

C2. Which of the following best describes your thoughts towards tuition fees?



More likely amongst socio-economic groupings **DE** than all the other groupings

Conclusions

Conclusions

1. Student debt isn't considered to be a 'real debt'

It is evident from these findings that student debt is not perceived to be real debt and it is not having the impact on participation in postgraduate studies as initially thought.

2. Funding and information about debt

As is evident from Charts **E1** and **E5**, more information should be provided to students and those who support them in order to allow them to make sense of the help and options available to them. Information on debt would also give students an understanding of what sort of financial situation they may face upon graduation.

Evidence from *Pound in Your Pocket* backs up the finding that it is not always clear how much financial support or funding will be received by undergraduate students; 53% reported that it was only somewhat clear and a minority (15%) indicated it was not at all clear. (NUS, *Pound in your Pocket*, 2013).

Conclusions

The impact of a lack of financial education

Indeed, a study published in the British Journal of Sociology of Education in 2003 (Christie and Monro, *The logic of loans*, 2003) claimed that ignorance with regards to the financial consequences of attending university was widespread, due to the lack of judgement as to whether participation in a degree course was financially worthwhile. It highlighted the burden felt by recent graduates in terms of having to repay their loans and suggested that better prior knowledge and availability of information may have dissuaded some from making the decision to enter into Higher Education; at the very least, it may have better prepared them.

This lack of financial education is also clear in the journey towards postgraduate education. As demonstrated in chart **F3**, respondents harbour limited awareness of routes to postgraduate funding, and few are aware of the reach of postgraduate scholarships. Far more undergraduate students who are considering postgraduate studies expect to find funding or sponsorship for this than is likely to be available at point of study.

Conclusions

The [Postgraduate Taught Experience Survey 2013](#) conducted by the Higher Education Academy showed that, with the exception of education and subjects allied to medicine, more than two thirds of students were self-funded; only 10-20% were funded by a scholarship or studentship. This, coupled with the data in this report, indicates that the expectations of students in receiving Postgraduate funding is simply too high.

This availability of information about the real cost of studying at a higher education level is also put forward by Foskett (*Changing fee regimes and their impact on student attitudes to Higher Education*, 2006). He discusses the lack of understanding regarding the institutional support available to students looking to pursue a degree and suggests that financial education must start as early as school and college to allow potential students to budget and manage their money in order to prepare themselves.

Conclusions

The impact on those from lower socio-economic backgrounds

Another effect of inadequate financial education could be increasing numbers of potential students from lower socio-economic groupings being put off studying at all levels of higher education. Evidence from existing literature and a number of recent news articles point to the danger that postgraduate study could be restricted to those from wealthier backgrounds who can afford to pay the fees themselves.

This is highlighted on chart **C2**, those from a lower socio-economic background were more likely to believe that higher education should be delivered for free.

Chart **C3** indicated that those from a wealthier background are more likely to cite their parents and family as a source of financial support during their time in undergraduate education. Northumbria University, in their study on student debt (University of Northumbria, *Students and debt*, 2005), discuss that students from lower socio-economic backgrounds are more aware of the financial implications of studying, which when coupled with the absence of a financial 'safety net' from family and/or friends means they have a greater tendency to be deterred from entering higher education.

Conclusions

Those from a higher socio-economic background are also more likely to indicate their parents and family as a source of information regarding finance and funding, as highlighted in Chart **B3**; this is certainly another disadvantage for those from a less wealthy background who struggle to find information regarding funding and debt management that is readily available to all potential students.

A return on investment?

While this report suggests that student debt is not the barrier to postgraduate participation initially thought, it must be noted that there is little evidence in existing literature of a student culture *unworried* by debt, with the majority of students seriously worried about debt building up. This is highlighted on Charts **D7** and **F6**, with students wishing to avoid debt and suggesting that the build up of debt could be a deterrent to postgraduate study. However, it emerged from existing work and the findings of this report that debt is felt to be a natural part of being a student (chart **D7**); it was an expected, and inevitable outcome that graduates would be in debt following their degree course (Warhurst, in *Higher and further education students' income, expenditure and debt in Scotland 2007 – 2008*).

Conclusions

This resignation and unavoidability, as demonstrated on Chart **D7**, can be linked to a finding by Foskett (*Changing fee regimes and their impact on student attitudes to Higher Education*, 2006) that finance does not play a large role in the decision about whether to go to university or not; rather, thoughts about future career, employability and interest were the main deciding factor, as also highlighted on chart **B1**. The benefit principle, as claimed in this paper, assumes that HE is a requisite tool for development, and that the calculated benefits of further education outweigh other factors, such as debt, as students think more calculatedly about future employment.

From existing literature and research, it is recognised that students are increasingly aware of the fees they are paying in terms of value for money rather than in terms of its absolute value in the long run. *'Broke and Broken'*, published in 2009 by NUS as a critique of the higher education funding system for undergraduate provision in England likened student debt to home ownership, classing fees as an investment, further evidence of the increasing view that student loans are an investment for the future.

Conclusions

3. Student debt is a means to an end

Instead of viewing their loan as a typical debt, the UK policy on tuition fees may mean that students believe they are taking on a key investment into their future; they are quick to articulate their search to understand a 'return on investment' for their study , as demonstrated on chart **D7**, as increasing numbers undertake student loans and other debts to enable their continuation in education. Within this context, the findings suggesting the normalisation and tolerance of student debt are striking. With a proportion of students accepting student loans as a means to an end, they discount the validity of these loans as a 'real' debt.

Recommendations

Recommendations

In terms of recommendations, as the conclusions outline, the lack of financial education emerges as one of the causes of the increasing acceptance and normalisation of student loans and debt. As such, the following recommendations concentrate on tackling this issue.

Education about debt and debt management

- As well as being placed on the school curriculum, students should be offered support and information regarding their loan and financial management during their first year at university.
- Any debt education should be part of a broader package which covers not only student debt, but also information and guidance on surviving the hidden costs of education, the costs of living as a student and using money wisely. They need to develop skills in managing their finances.
- This education, in the form of wider financial management, should also stress the importance of self-sufficiency, and remind students of their need to fund their independence whilst looking for a job on graduation. This mustn't involve pushing them into part-time work though, as this has proven to lower retention rates and degree attainment.

Recommendations

- Any information provided on funding needs to be clear, consistent and reliable.
- A balanced education should be provided, in that while students must realise that they are getting into debt and understand the effects this debt can have on their life, potential students from less well off backgrounds need to not be put off from going to university.

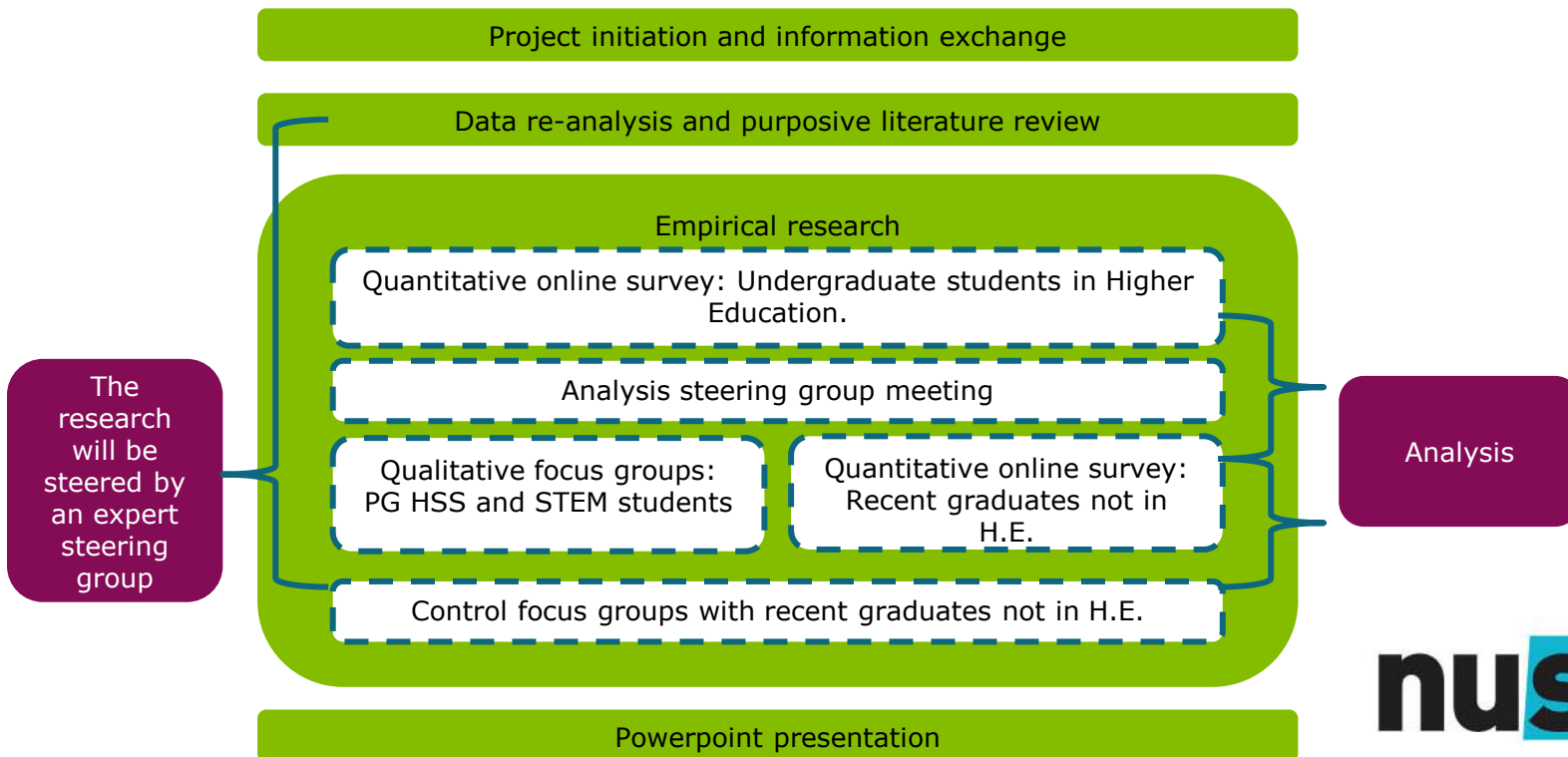
Further research

- Other recommendations focus on the need for further areas of research around the availability of financial and funding information and whether this would enable more students to pursue a postgraduate degree if they wished, and to make pursuing that desire easier.
- Students don't just need comprehensive information about funding, they also need to be steered through it otherwise they don't know where to start looking. A lack of accountability in safeguarding and informing students' financial information exists, with respondents struggling to articulate a consistent source of information on funding and little emphasis placed on the institution itself.
- Universities could potentially work in partnership with existing not-for-profit websites and other organisations to make something like this possible.

Appendices

Methodology Overview

A three phase approach was adopted to ensure consultation with the relevant groups of people. An online quantitative survey with undergraduates formed the first phase, followed by a series of focus groups with postgraduate students. Phase 3 consisted of an online survey with recent graduates not undertaking a postgraduate degree, with a focus group also taking place with this cohort. The diagram below illustrates the methodology:



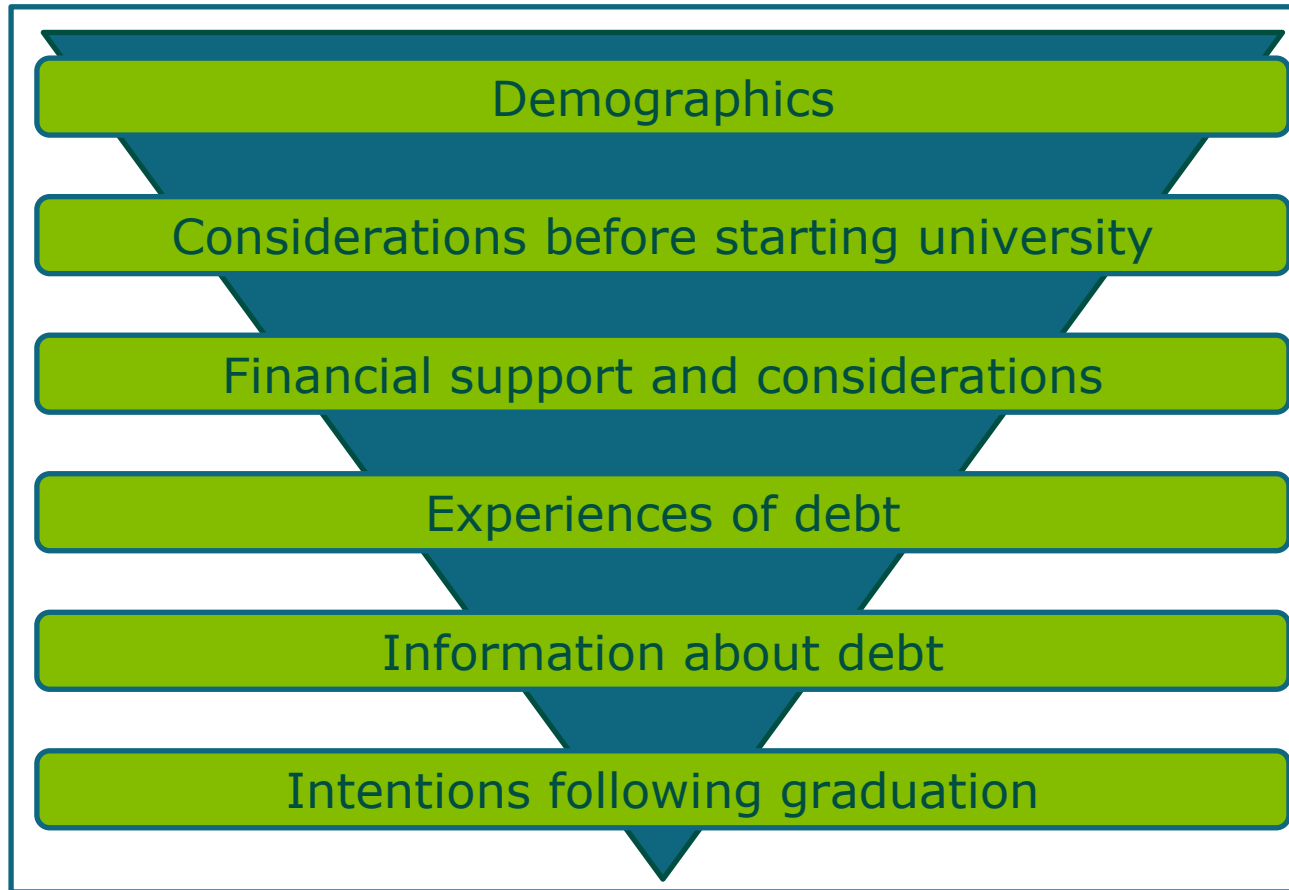
Raw Data and research materials

- The research materials and anonymised raw data are available on the British Academy website for reference and further analysis or interest.

Phases 1 3, Undergraduate and recent graduate quantitative surveys:

- The quantitative questionnaires asked to respondents of each phase are available in word format while the anonymised raw quantitative data for both phases is presented in an excel spreadsheets. All questions are clearly marked on the spreadsheets and can be matched up to their respective questionnaires.
- **Phase 2, Postgraduate focus groups**
- The focus group discussion guide used in the focus groups and the anonymised transcriptions from all eight groups are available in word format. The discussion guide and transcripts used for the control group with recent graduates is also available.

Phase 1 Undergraduate Survey Outline

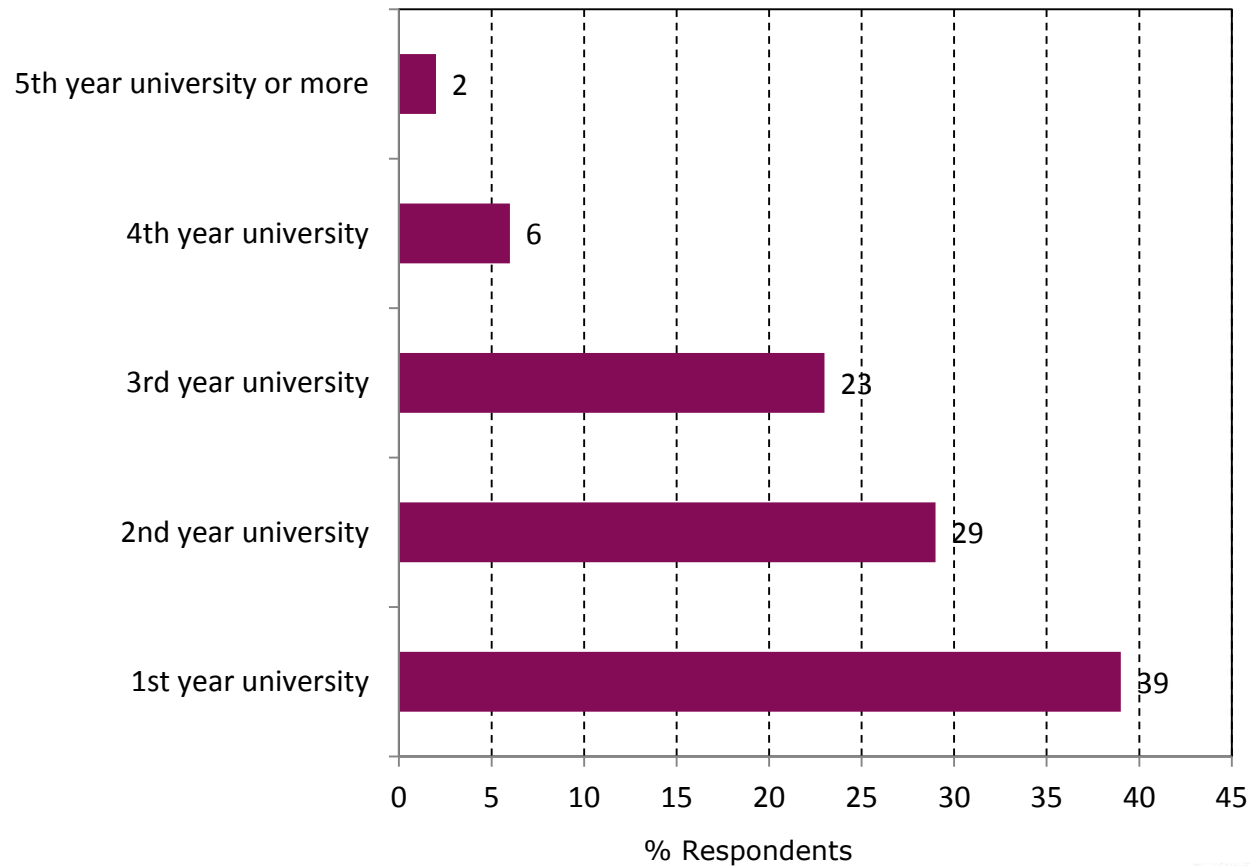


- 4211 postgraduate students completed the online survey

Section A: Demographics

The majority of respondents were first year students

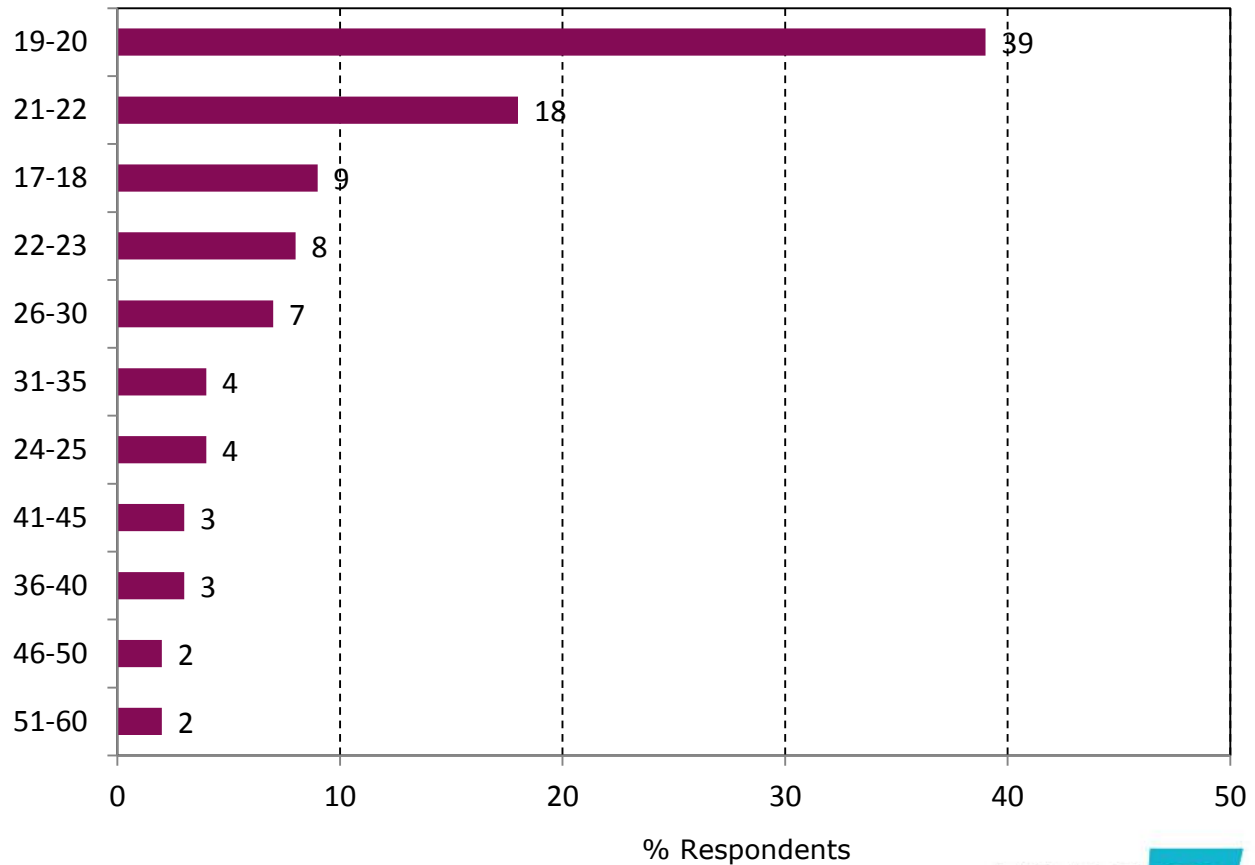
A1. What year of study are you in?



Base: 4211 Respondents

19 and 20 year old students accounted for most of the undergraduate sample

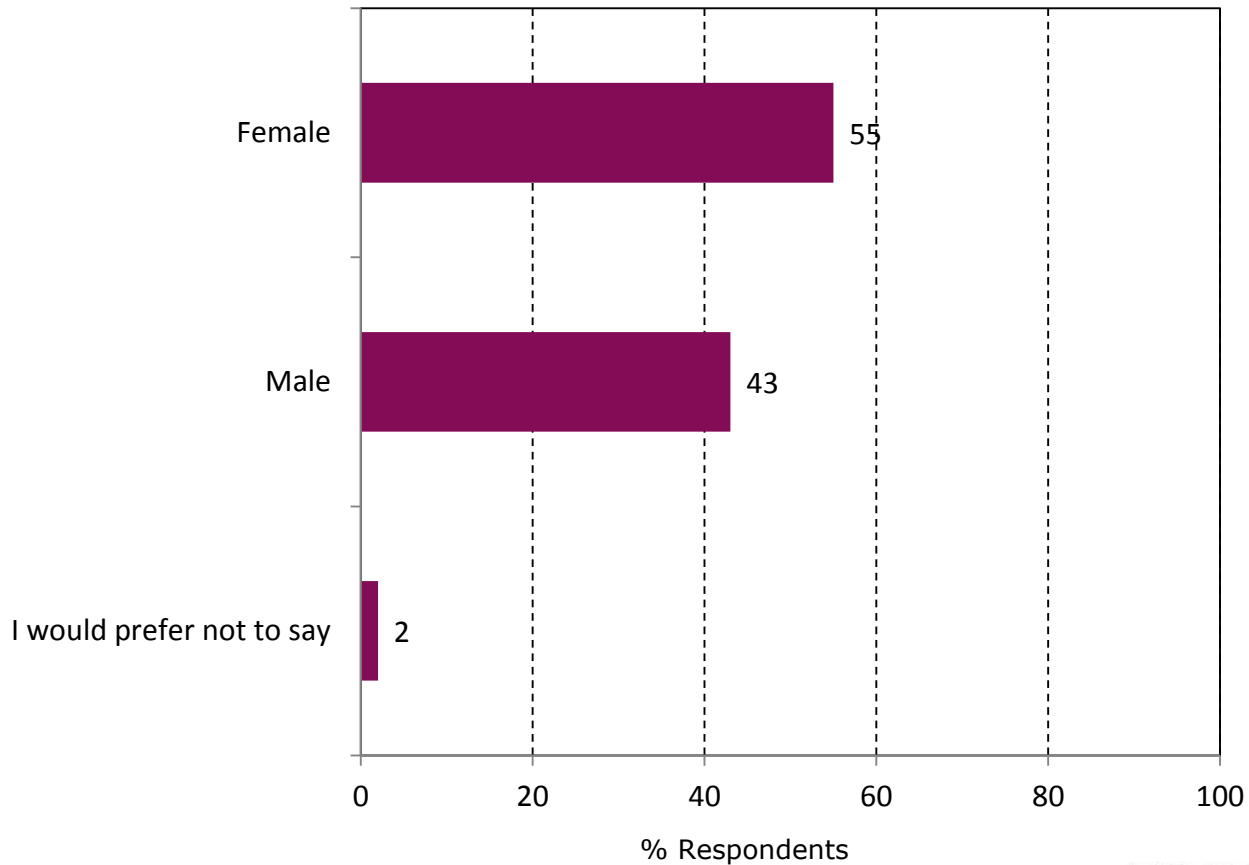
A2. How old are you?



Base: 4100 Respondents. Balance: No response

The data was weighted to ensure the gender split reflected the 43% male / 57% female student population as defined by HESA

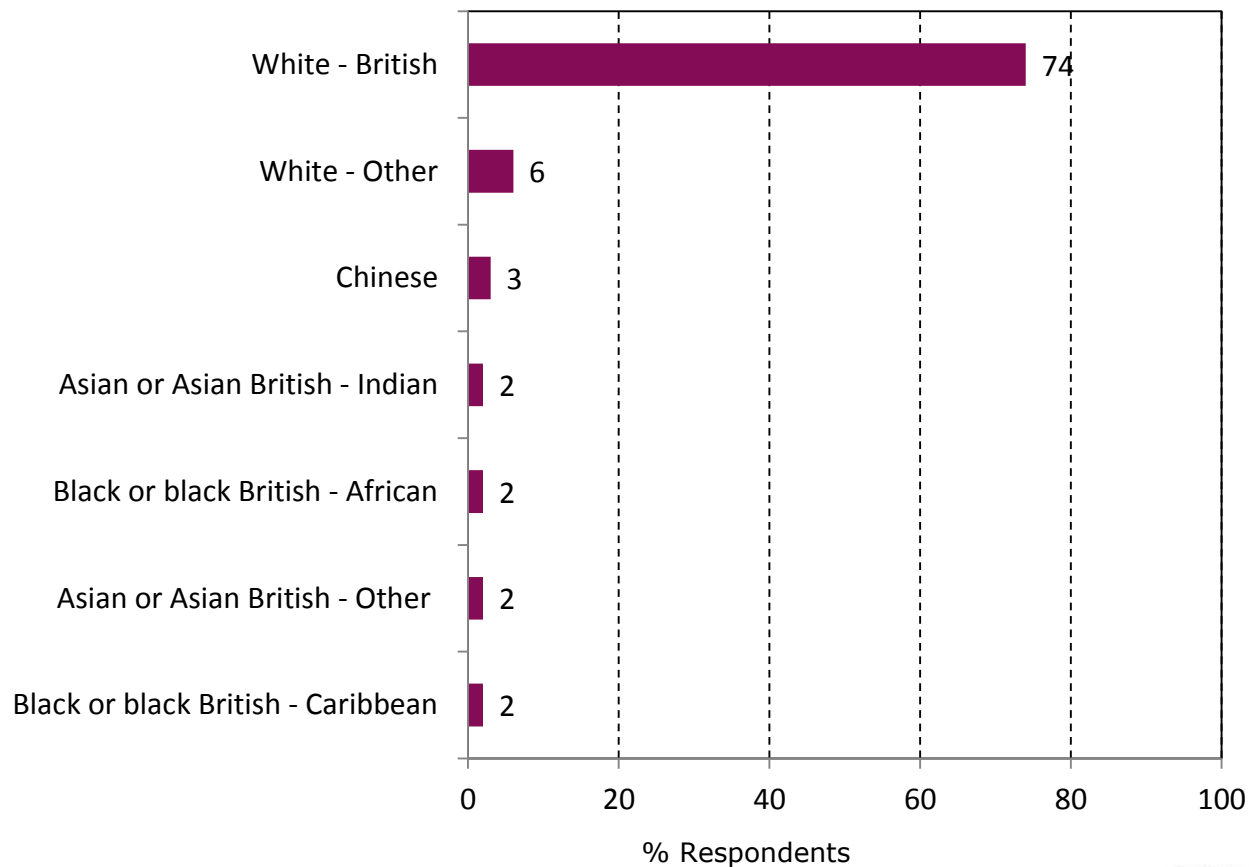
A3. How do you prefer to think of yourself?



Base: 4211 Respondents

Approximately three quarters of respondents identified themselves as white British

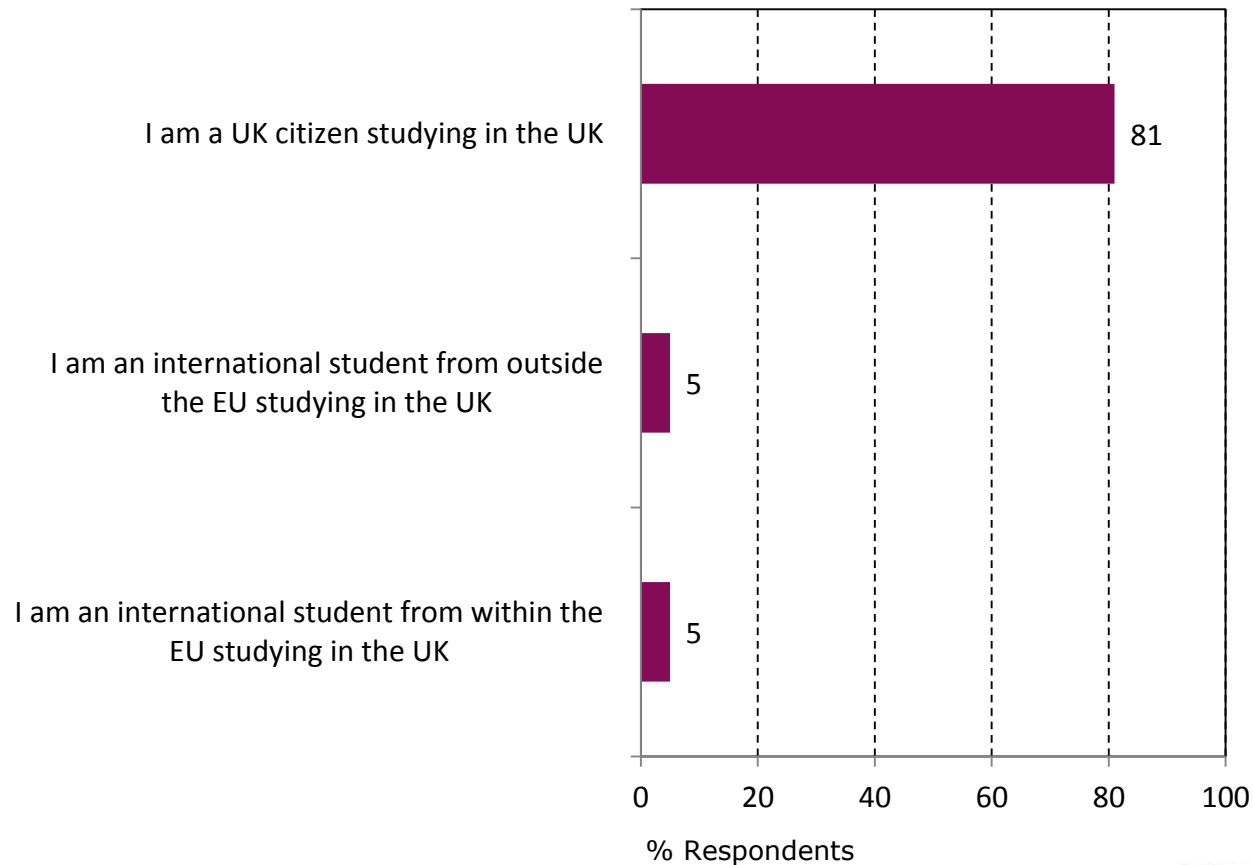
A4. To which of the following ethnic groups do you belong?



Base: 4144 Respondents. Balance: No response

The vast majority of the respondents were UK citizens studying in the UK

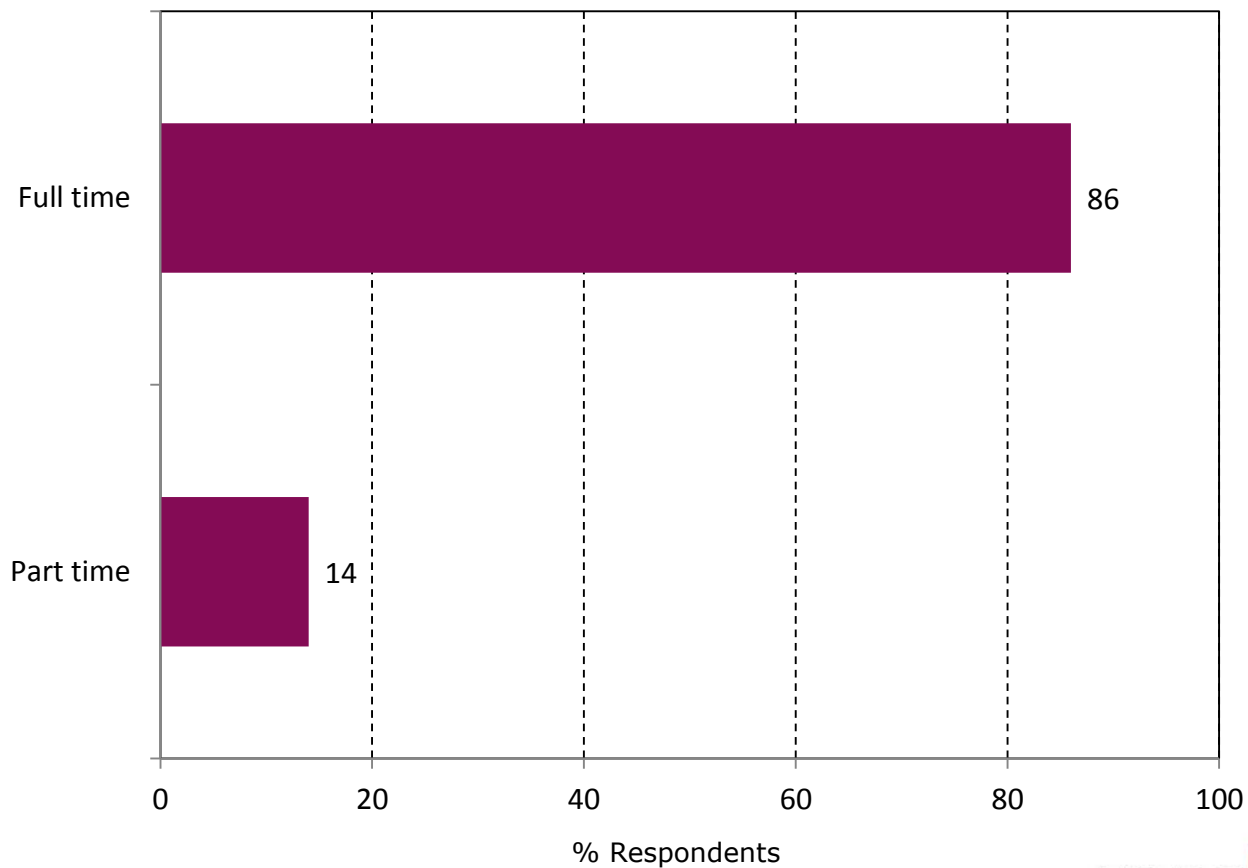
A6. Which of the following statements best describes you?



Base: 4211 Respondents Balance: No response

Full time students accounted for the majority of the sample

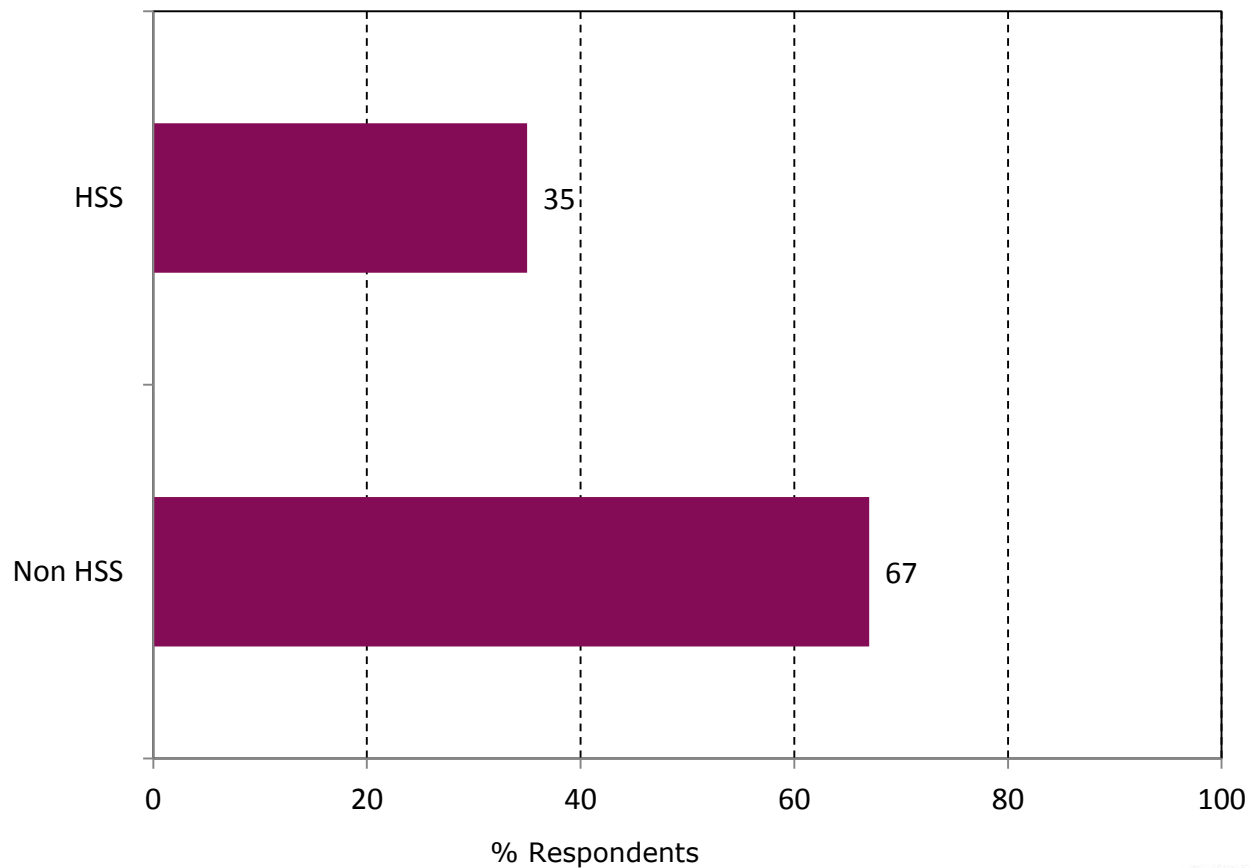
A7. Are you classed as a part-time or full-time student by your university?



Base: 4193 Respondents. Balance: No response

A third of the sample were classed as studying Humanities and Social Sciences subjects

A8. HSS and Non HSS

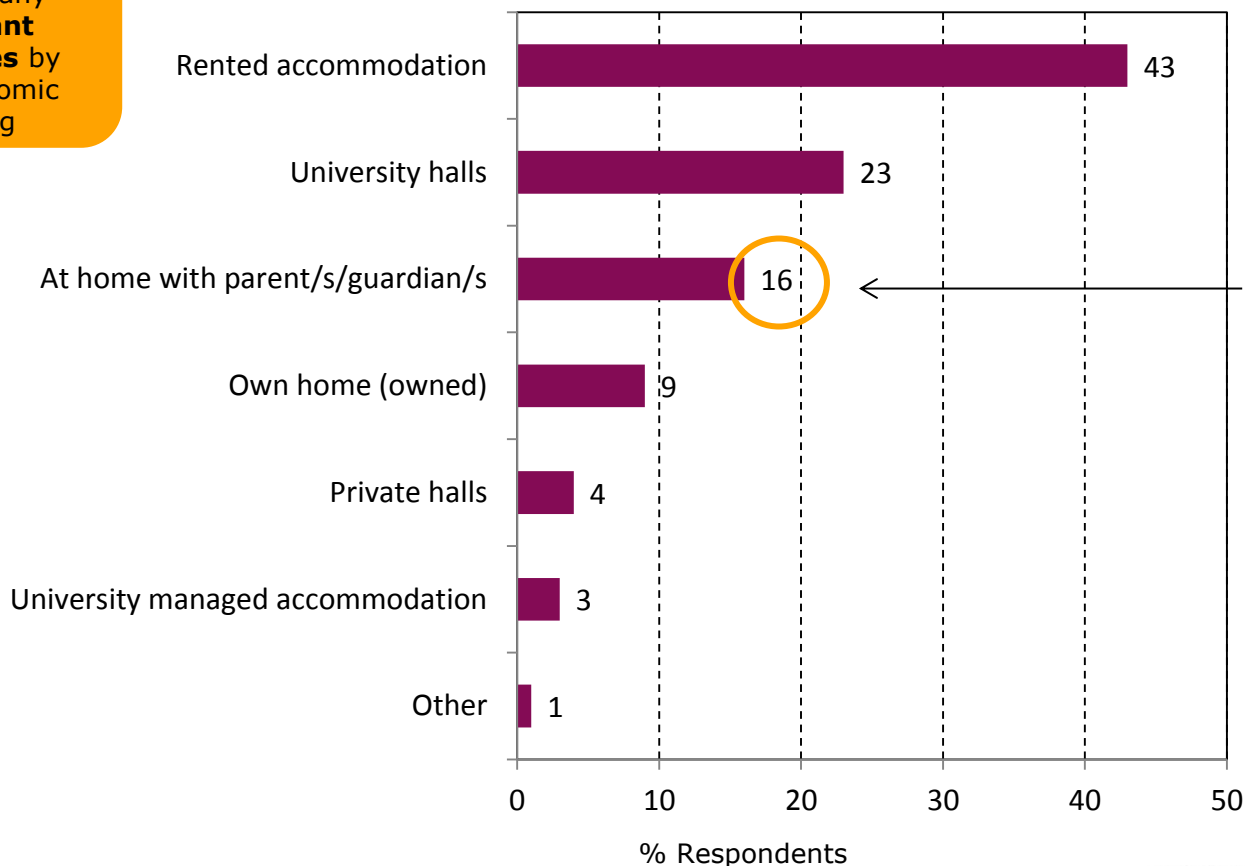


Base: 4211 Respondents

Rented accommodation was the most common accommodation type identified, while a quarter were living in university halls of residence. Those from the lowest socio-economic background were more likely to live with their parents or guardians

These boxes indicate where there are any **significant differences** by socio-economic grouping

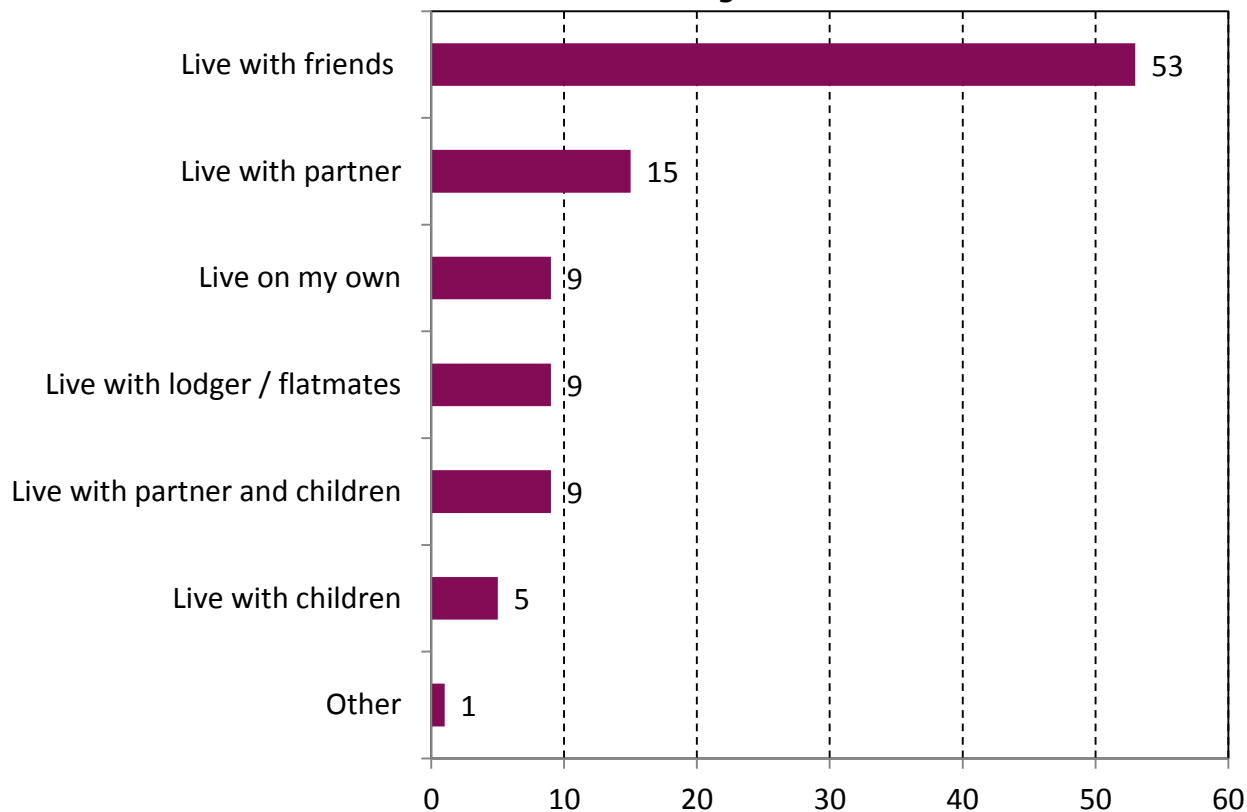
A9. Where do you live during term-time?



More likely amongst socio-economic groupings **DE*** than **AB**

The majority of those living in rented accommodation live with friends

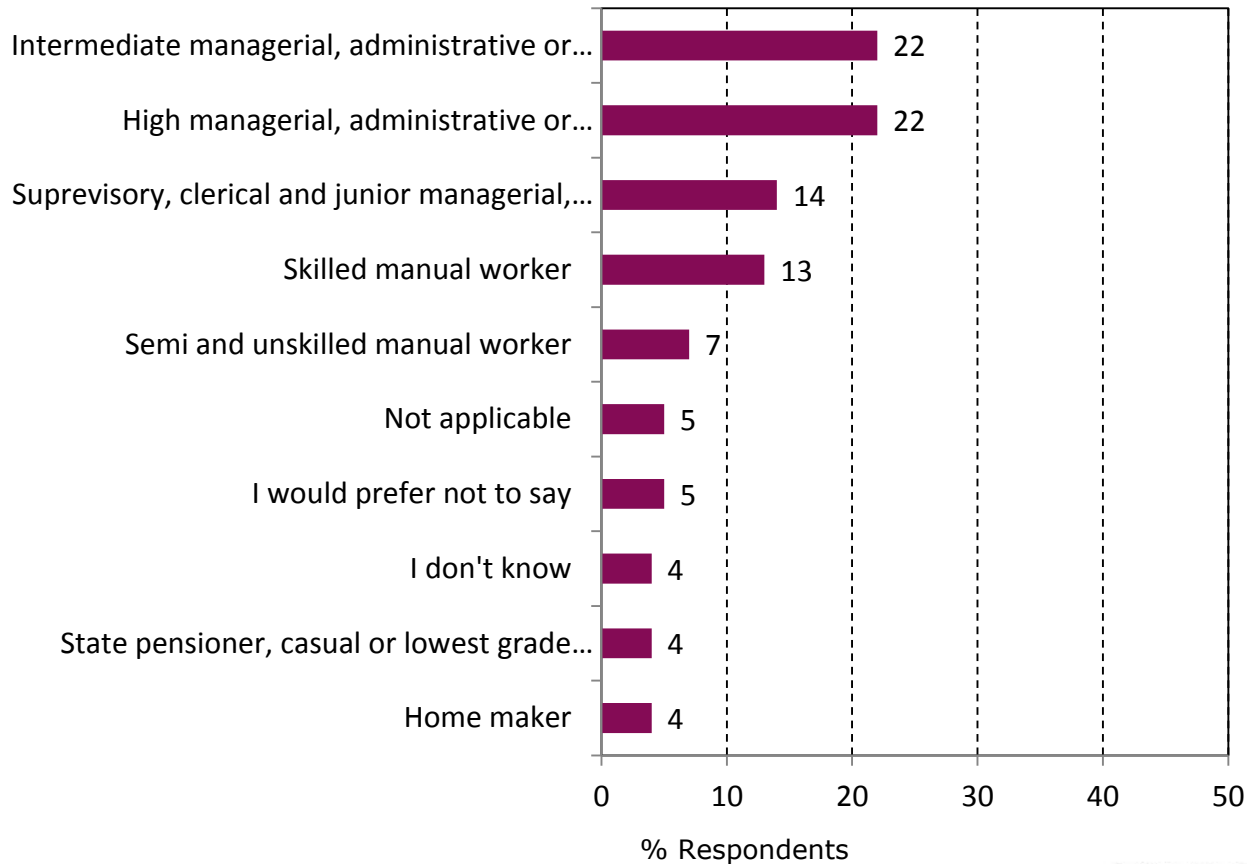
A10. Which of the following best describes your living arrangements?



Base: 2146 Respondents.
Balance: Those not living in own or rented accommodation

Respondents most commonly chose intermediate managerial and high managerial to describe the kind of job their parents do

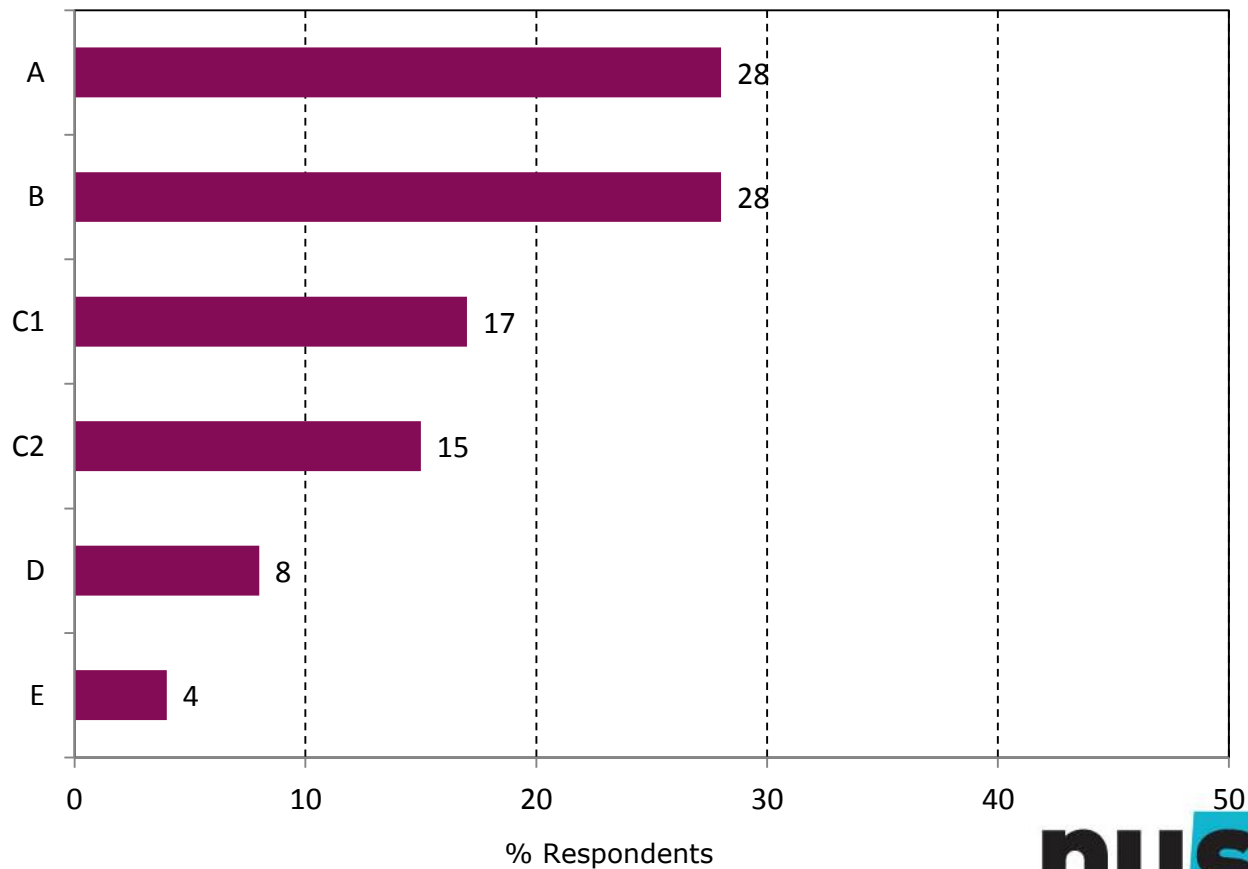
A11/12. Which of the following best describes the kind of job your parents do?



Base: 4199 Respondents. Balance: No response

Socio-economic groupings (defined from Office of National statistics) of the sample were most commonly groups A and B, reflecting the student population

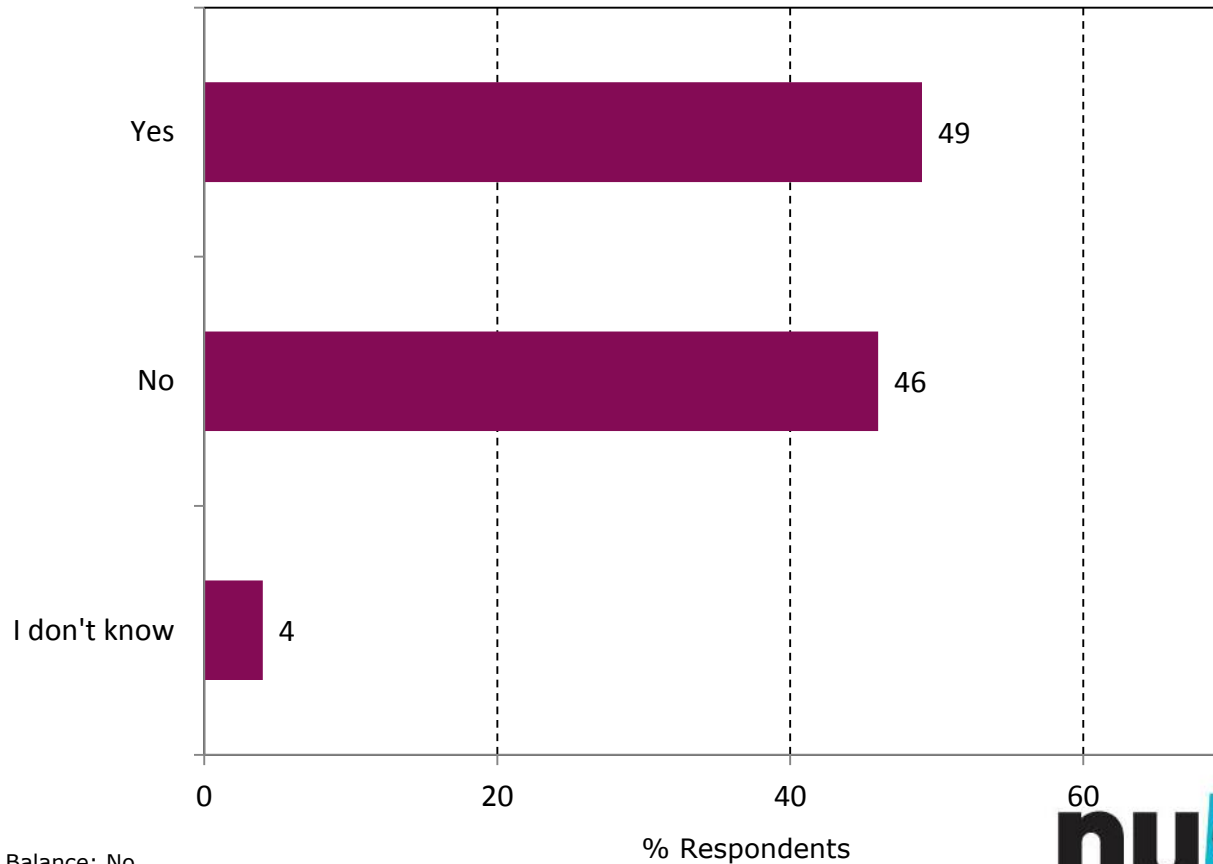
A11 / 12 Socio-economic grouping (from parents occupation)



Base: 2627 Respondents. Balance: No response / Those over the age of 24

The sample was roughly split half and half regarding parents who had a higher education qualification and those who didn't

A13. Do/did any of your parents, step parents or guardians have any higher education qualifications, such as degree, diploma or certificate of higher education?

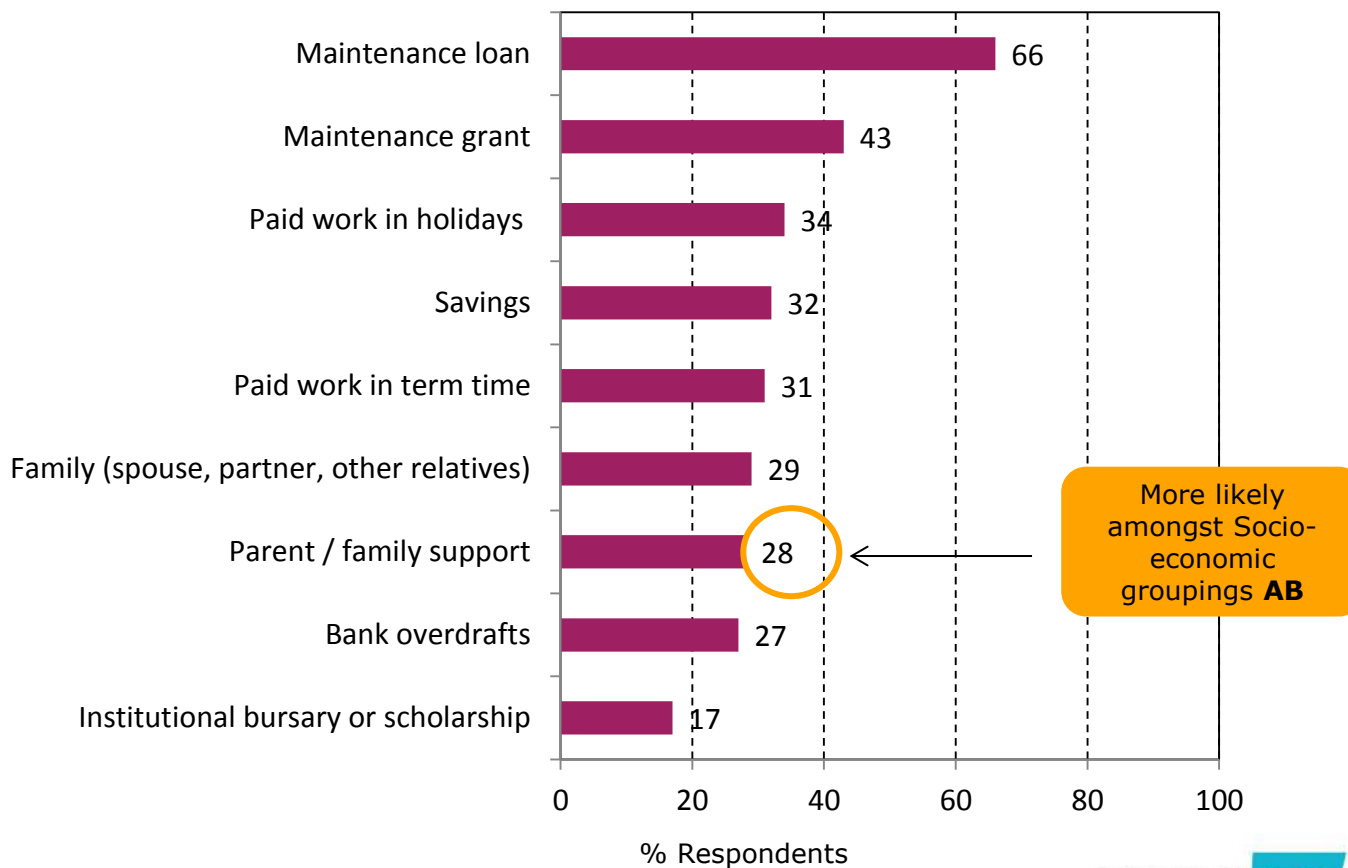


Base: 4205 Respondents. Balance: No response

Section C: Financial support and considerations (extra slides)

Two thirds of respondents finance their time at university with a maintenance loan. A third highlighted that they work during the holidays, while a further third claim to work during term time to pay their way through university

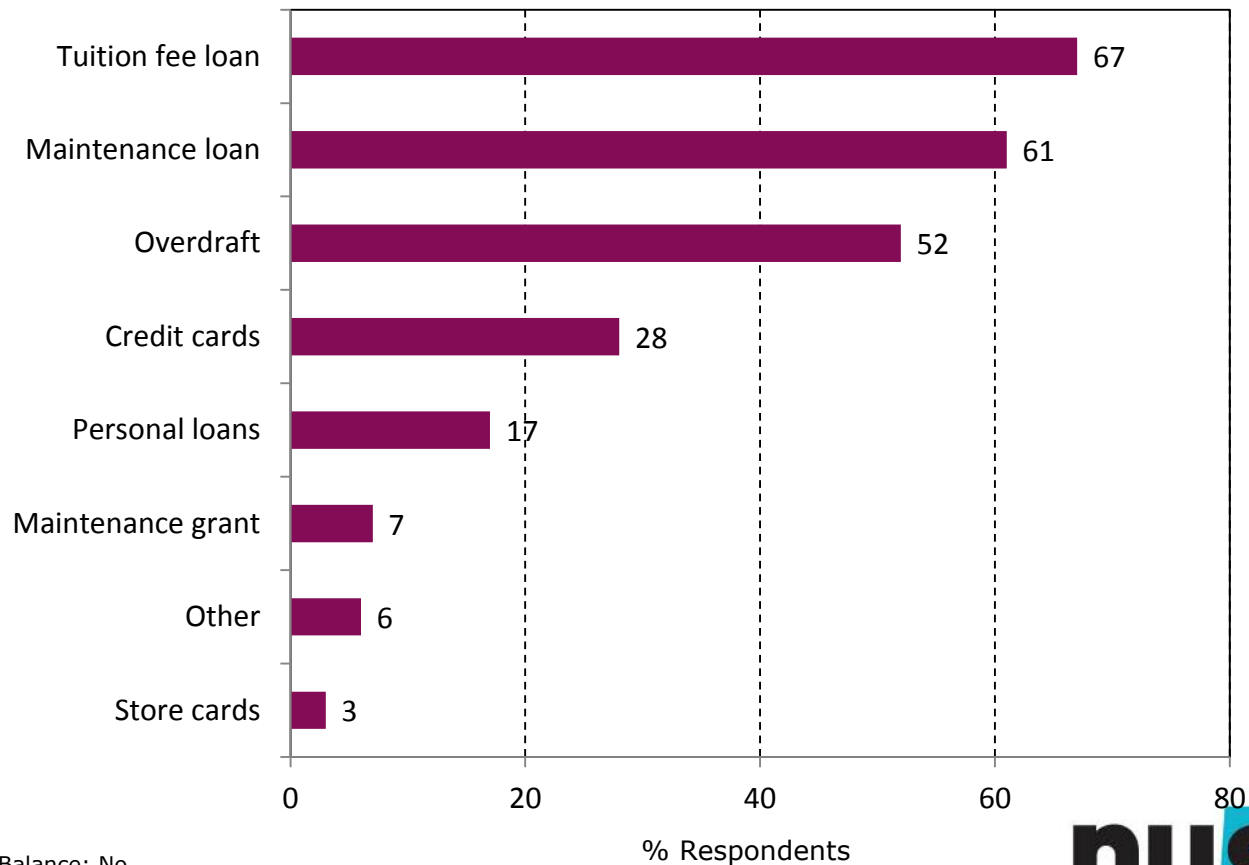
C3. Which, if any, of the following do you use to finance your time at university (Most common answers)?



Section D: Experiences of debt (extra slides)

Those that do feel they are in debt identify tuition fee loans and maintenance loans as the main sources of their current debt.

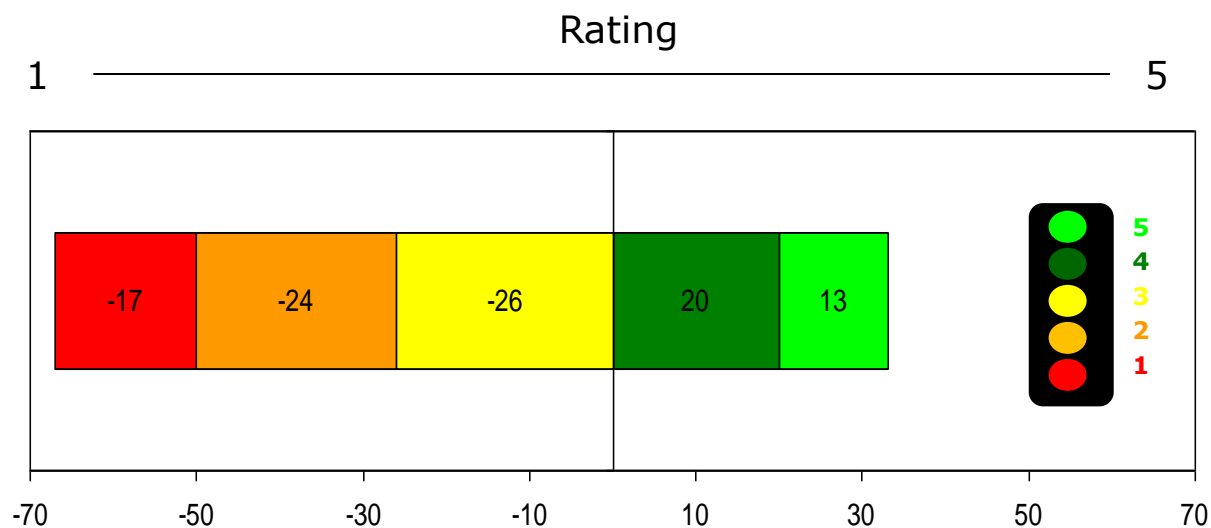
D2. What are the main sources of your current debt?



Base: 1529 Respondents . Balance: No response
NB. Multiple response

Approximately a half of respondents felt their day to day life was affected by debt

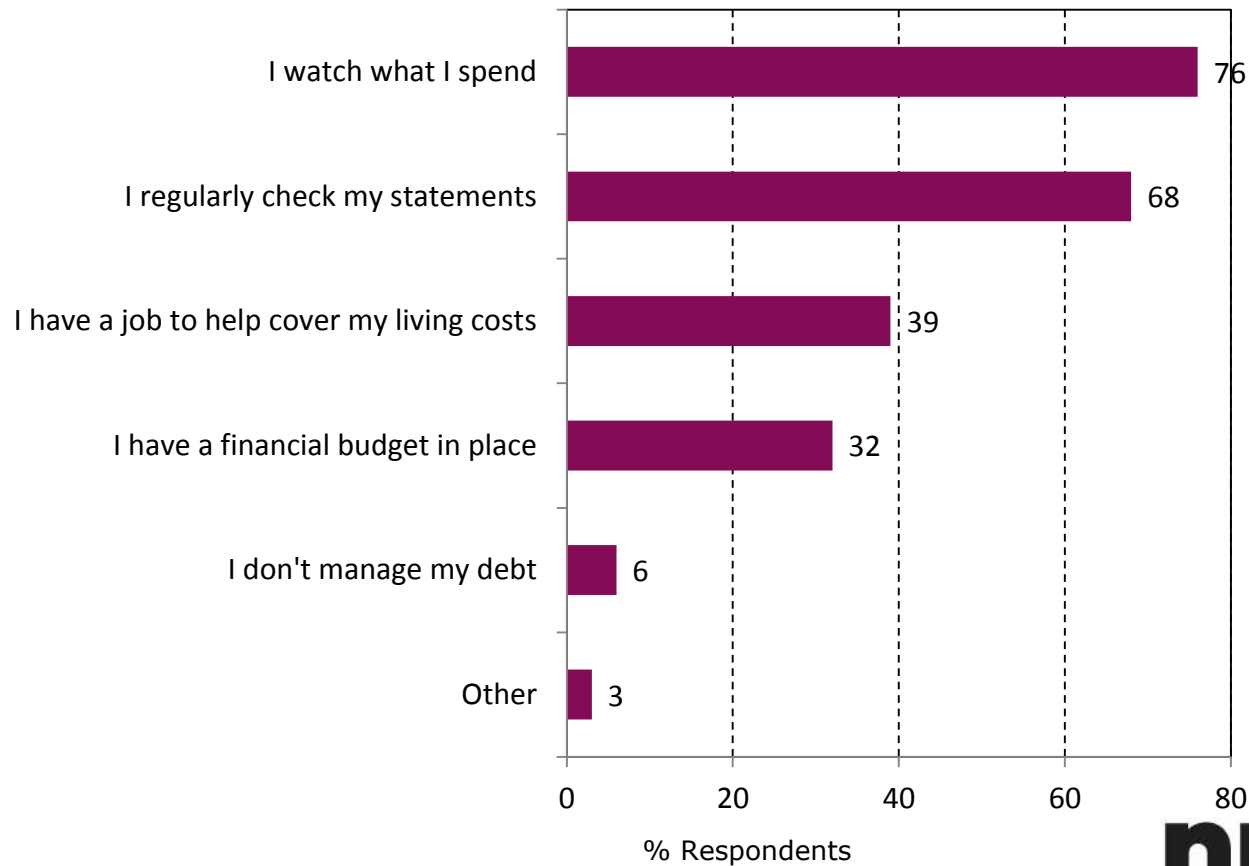
D3. To what extent, if at all, is your day to day life affected by debt on a scale of 1 to 5, where 5 is not affected at all and 1 is affected a great deal



The 'traffic light' system used demonstrates the ratings given here (described in the question title), where red = 1 and green = 5, as per the legend

Respondents claimed to watch what they spend and regularly check statements to help manage their debt.

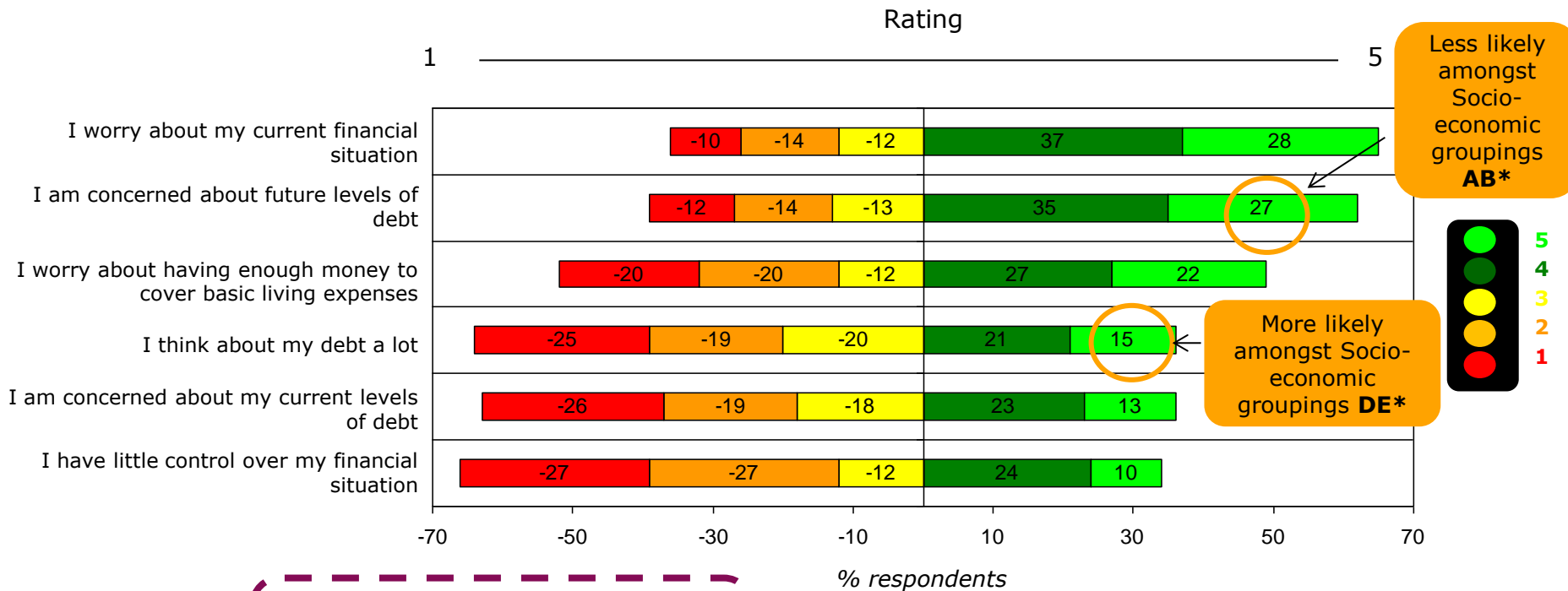
D5. In what ways, if at all, do you manage your debt?



Base: 1529 Respondents. Balance: Those not in debt
NB. Multiple response

Respondents were most likely to worry about their current financial situation. However they were less likely to think about their debt a lot and were not concerned with current levels of debt

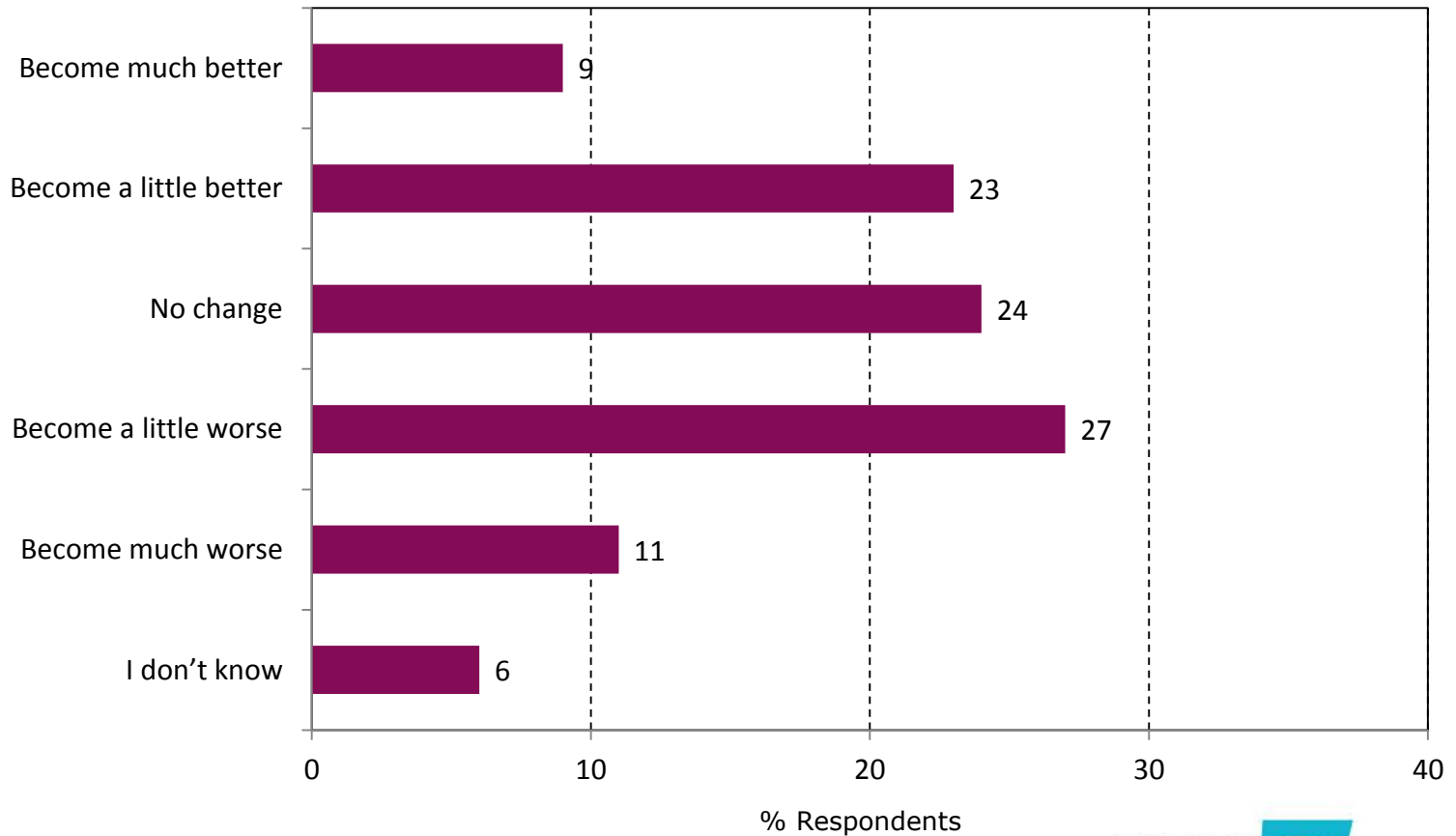
D6. Please rate how you feel about the following statements (on a scale of 1 to 5, where 5 = strongly agree and 1 = strongly disagree)



The 'traffic light' system used demonstrates the ratings given here (described in the question title), where red = 1 and green = 5, as per the legend

Respondents were most likely to feel their financial position would become worse in the next 12 months

D8. How do you expect your financial position to change in the next 12 months?

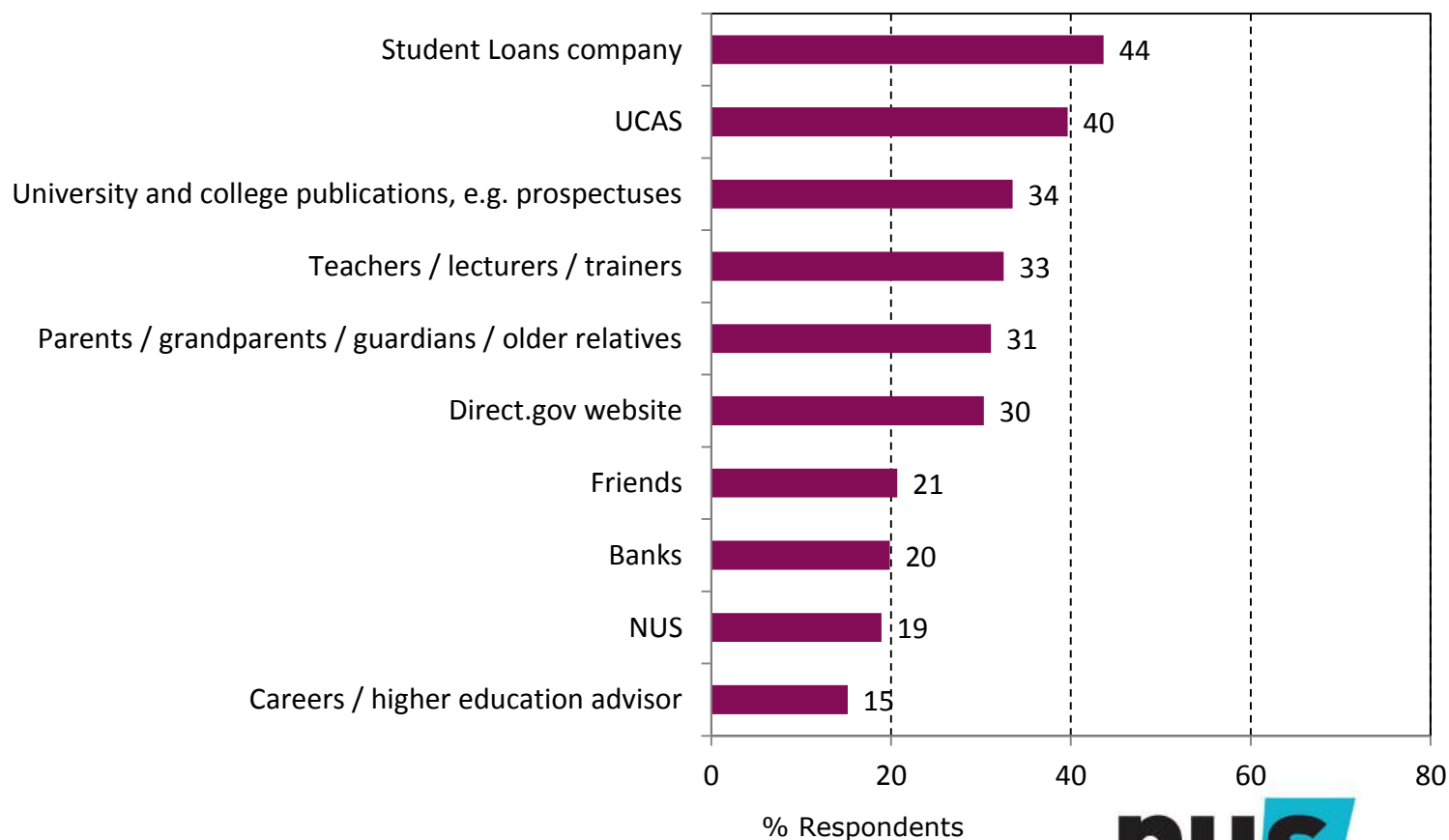


Base: 4203 Respondents. Balance: No response

Section E: Information about debt (extra slides)

For those who did read something about debt before becoming a student, the student loans company and UCAS were identified as the main sources

E2. Where did this information come from (Top 10 answers)?



Base: 1338 Respondents. Balance: No response
NB. Multiple response

Phase 2 Postgraduate qualitative findings

Phase 2 Focus Group Discussion Guide



Phase 2 Methodology

- Eight 90 minute postgraduate focus groups were conducted in locations across England:
 - Manchester
 - Newcastle
 - Bath
 - Bristol
 - London
- In total, 46 UK postgraduate students participated, from both HSS and Science, Technology, Engineering and Maths based subjects. In each group there were participants from at least two different institutions.

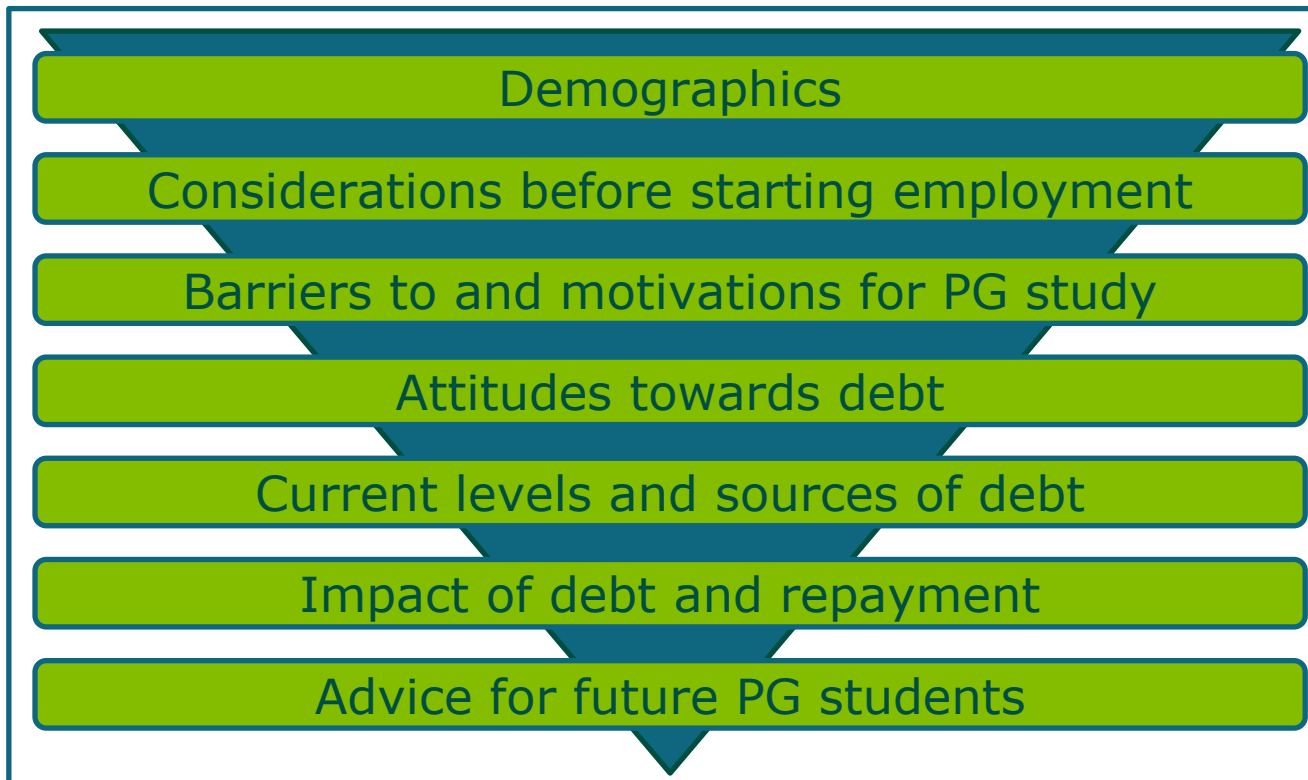
Phase 2 Indicative findings

Like the undergraduate survey findings, the main themes taken from all focus groups centred on:

- **Student debt isn't considered to be real debt and a distinction between student debt and other kinds of debt is important**
- **Lack of and difficulty in finding information regarding funding**
- **Lack of funding**
- **Students more likely to think about return on investment**
- **Student debt is a means to an end**
- **Need for debt education**

Phase 3 Graduate Quantitative findings

Phase 3 Graduate Survey Outline

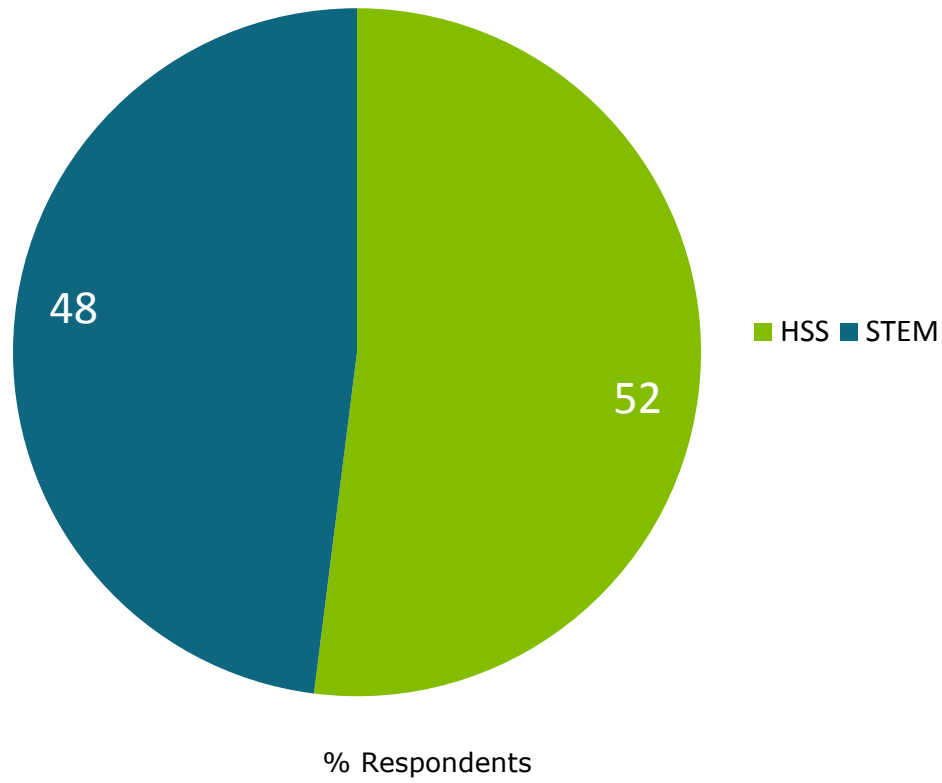


- 565 recent graduates from the UK completed the online survey

Section A: Demographics

The sample was split with 48% of respondents having graduated in a Humanities and Social Sciences subject and the remainder completing a Science, Technology, Engineering or Maths degree

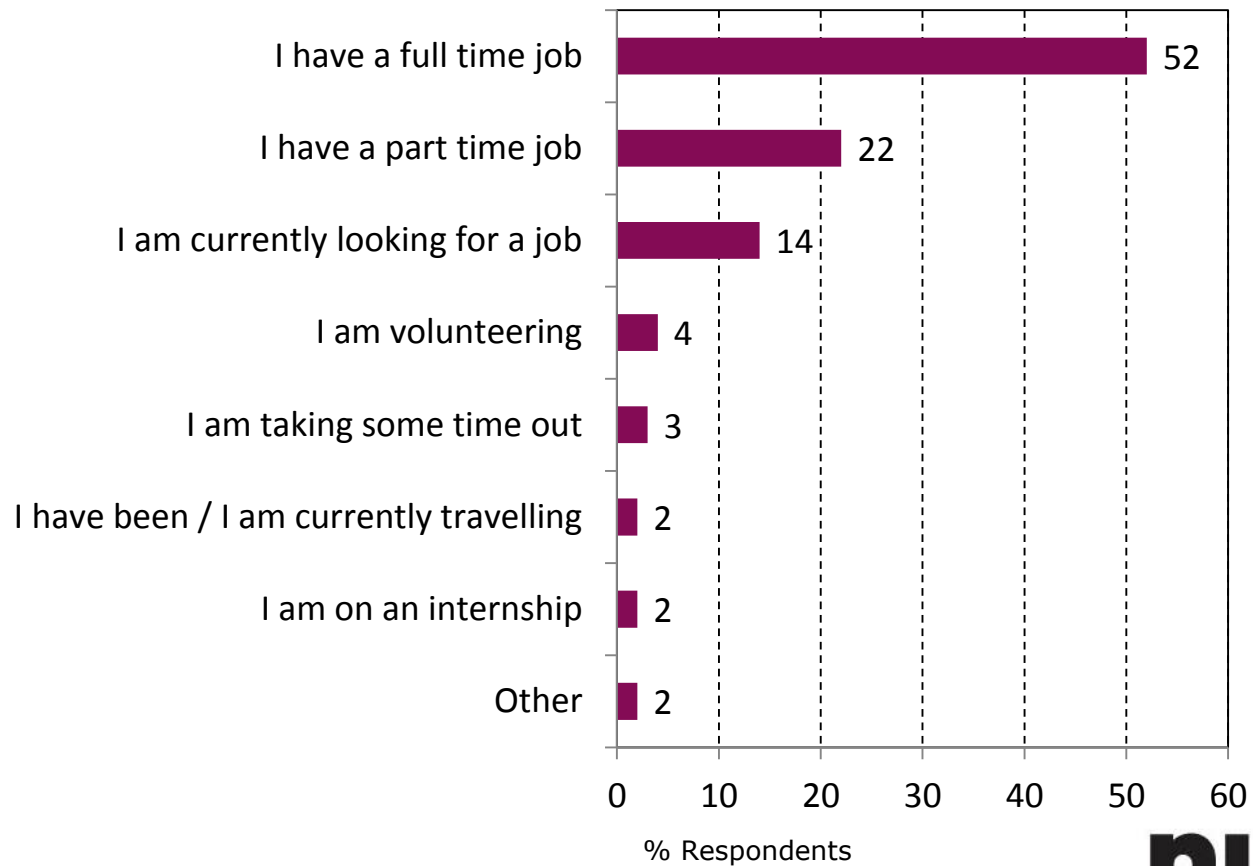
A3a/b. HSS or STEM subject



Base: 565 Respondents

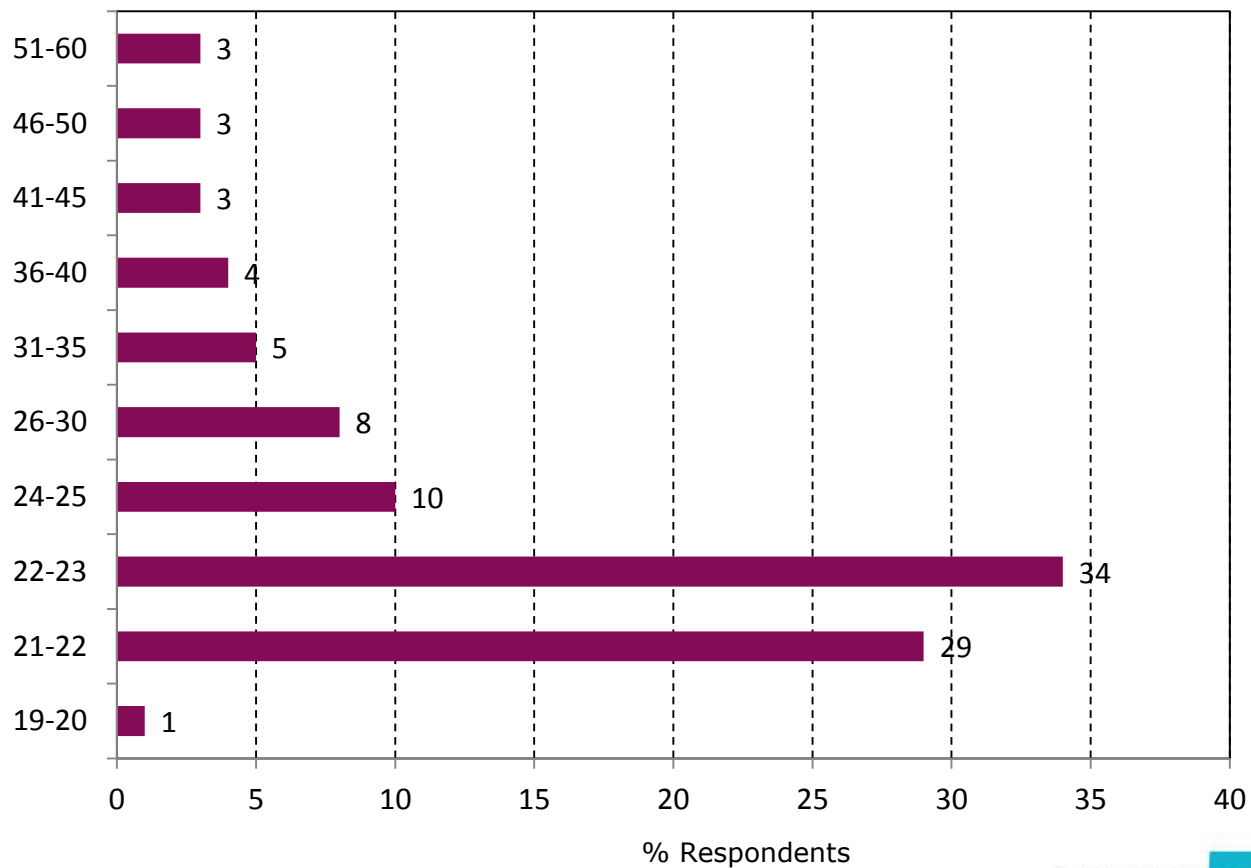
Approximately half of the respondents are currently employed in a full time job

A4. Which of the following best describes your current status?



Around a third of the sample were aged 22 to 23

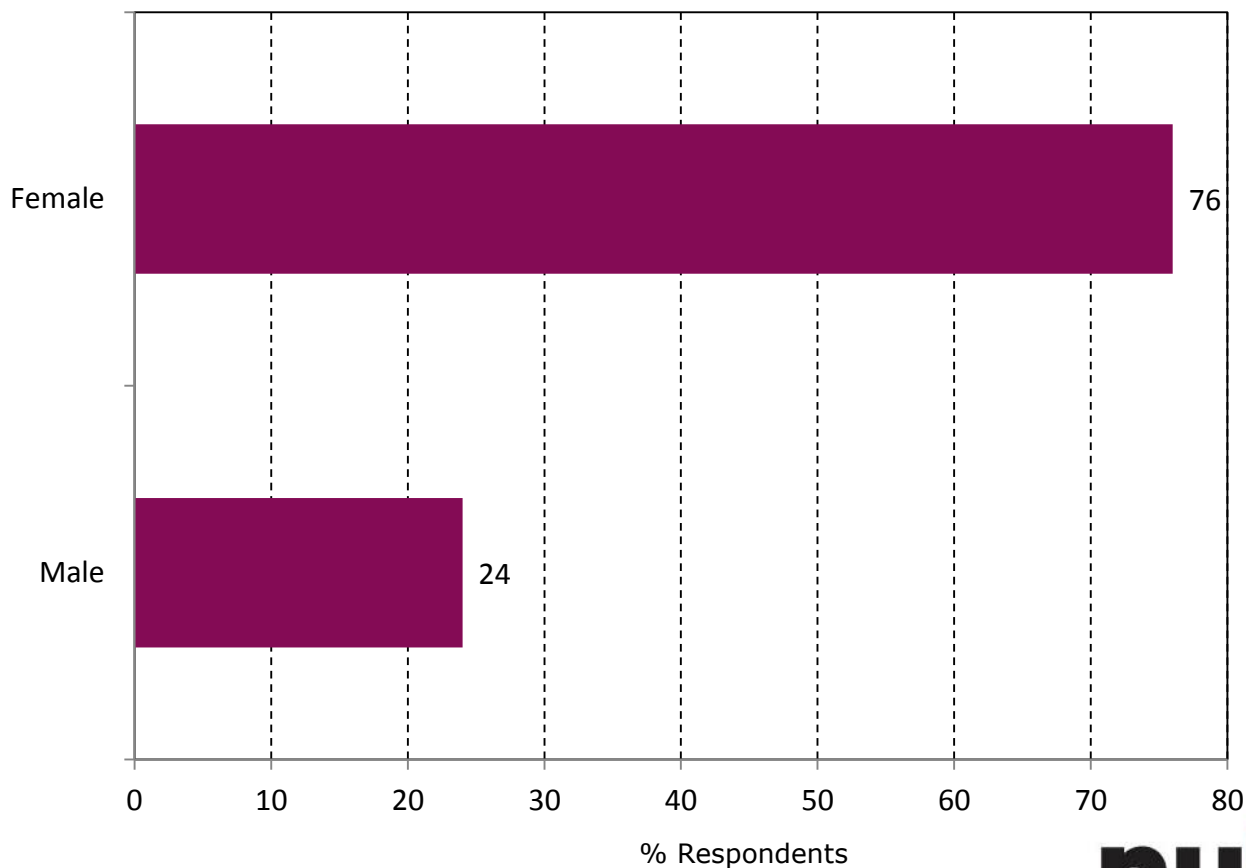
A6. How old are you?



Base: 565 Respondents

Three quarters of the respondents identified themselves as female

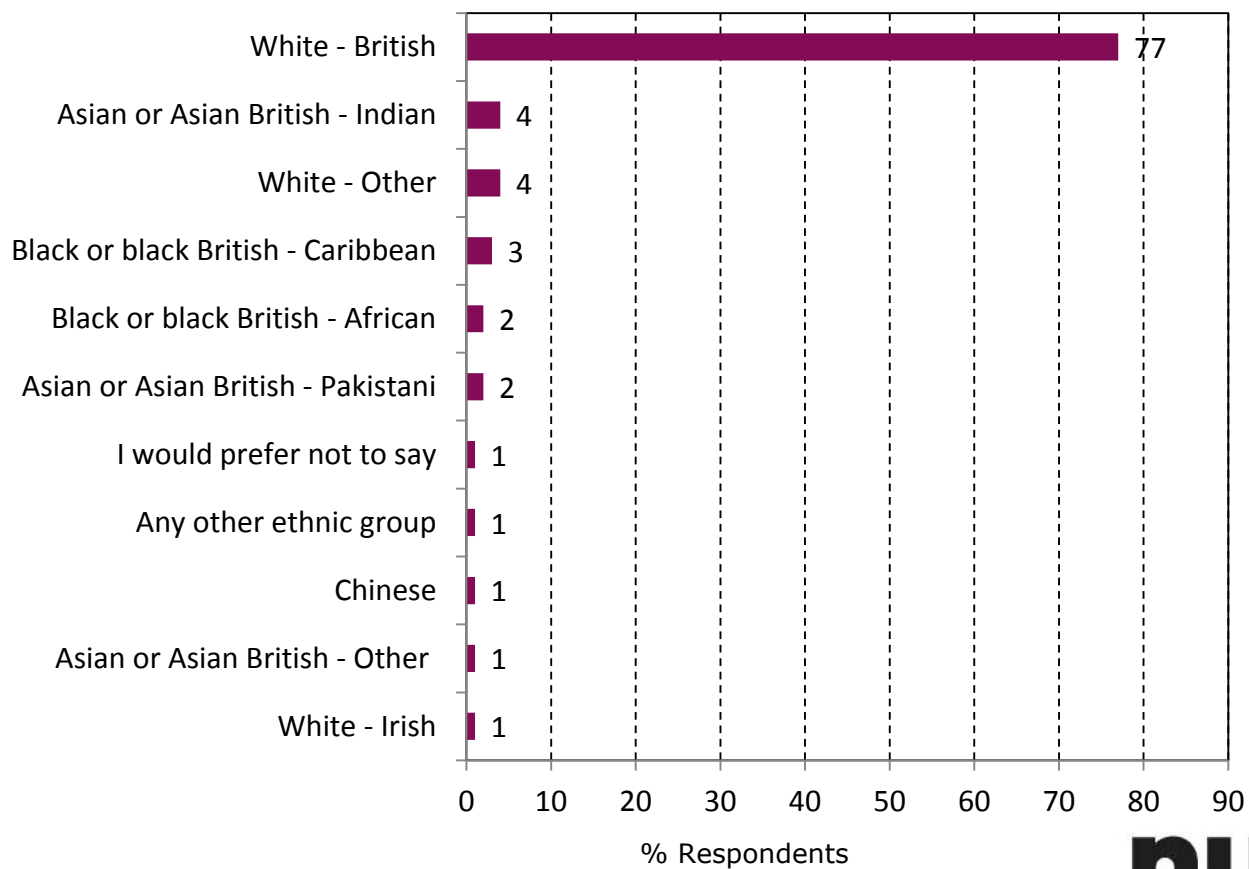
A7. How do you prefer to think of yourself?



Base: 525 Respondents
Balance: No response

Over three quarters described themselves as white British

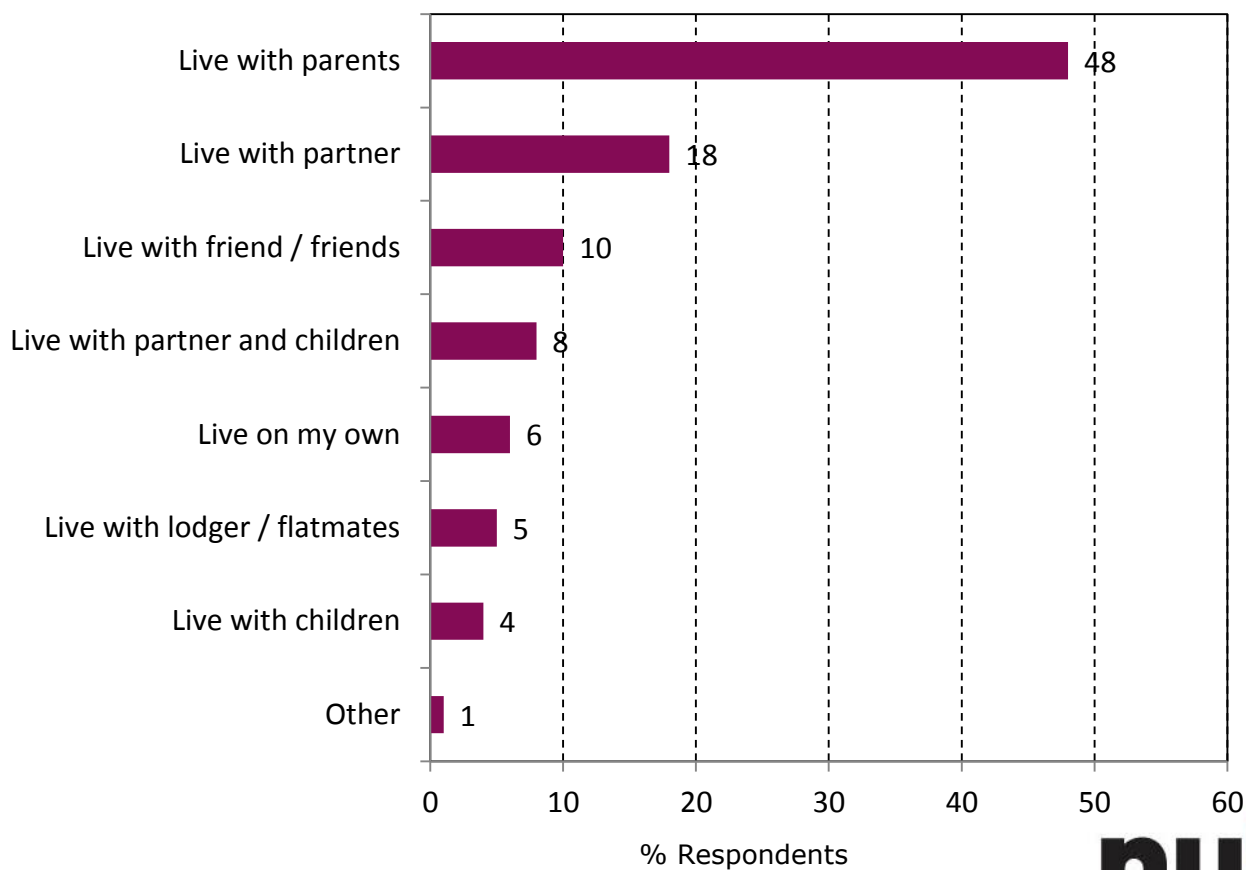
A8. To which of the following ethnic groups do you belong?



Base: 565 Respondents

Almost half of the respondents lived with their parents

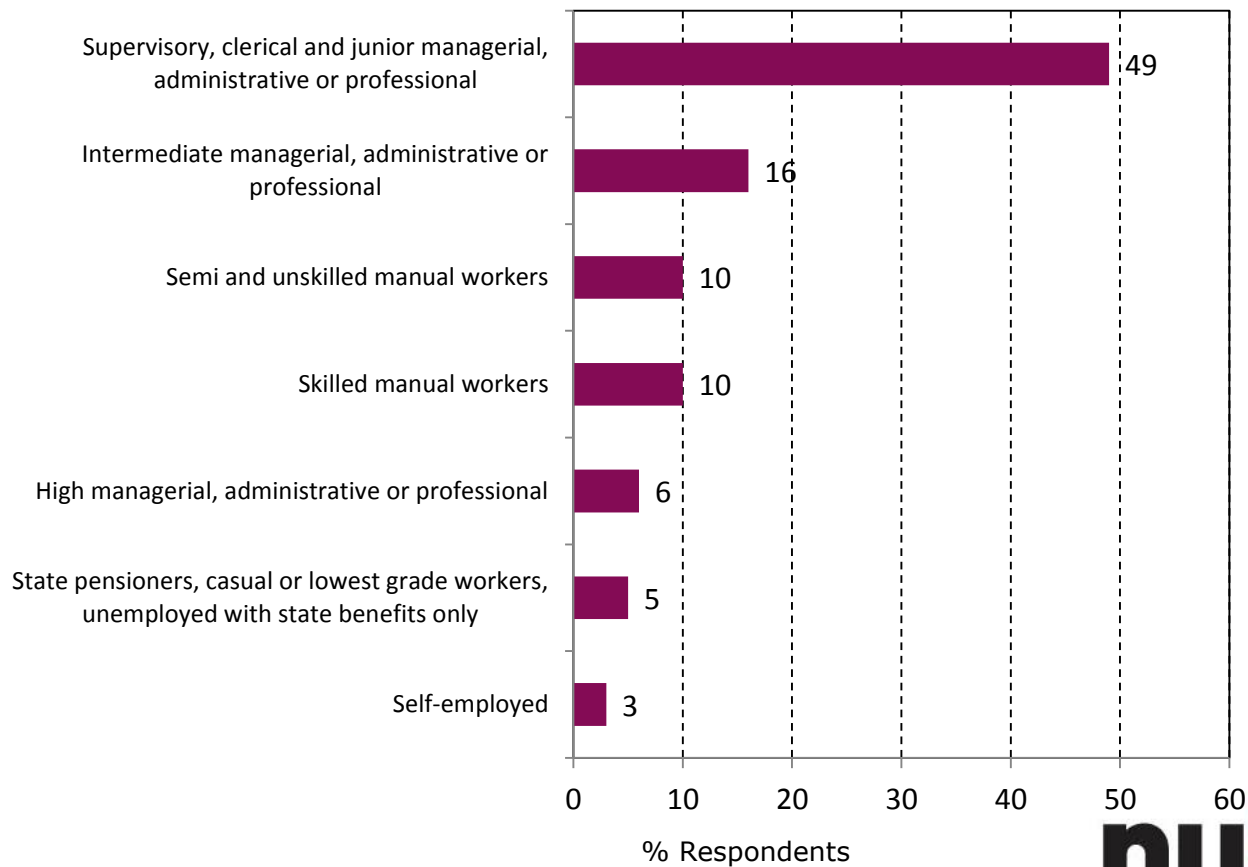
A10. Which of the following best describes your living arrangements?



Base: 565 Respondents

Current employment was described as supervisory, clerical and junior managerial by approximately half of the respondents

A12. Which of the following best describes your current employment?

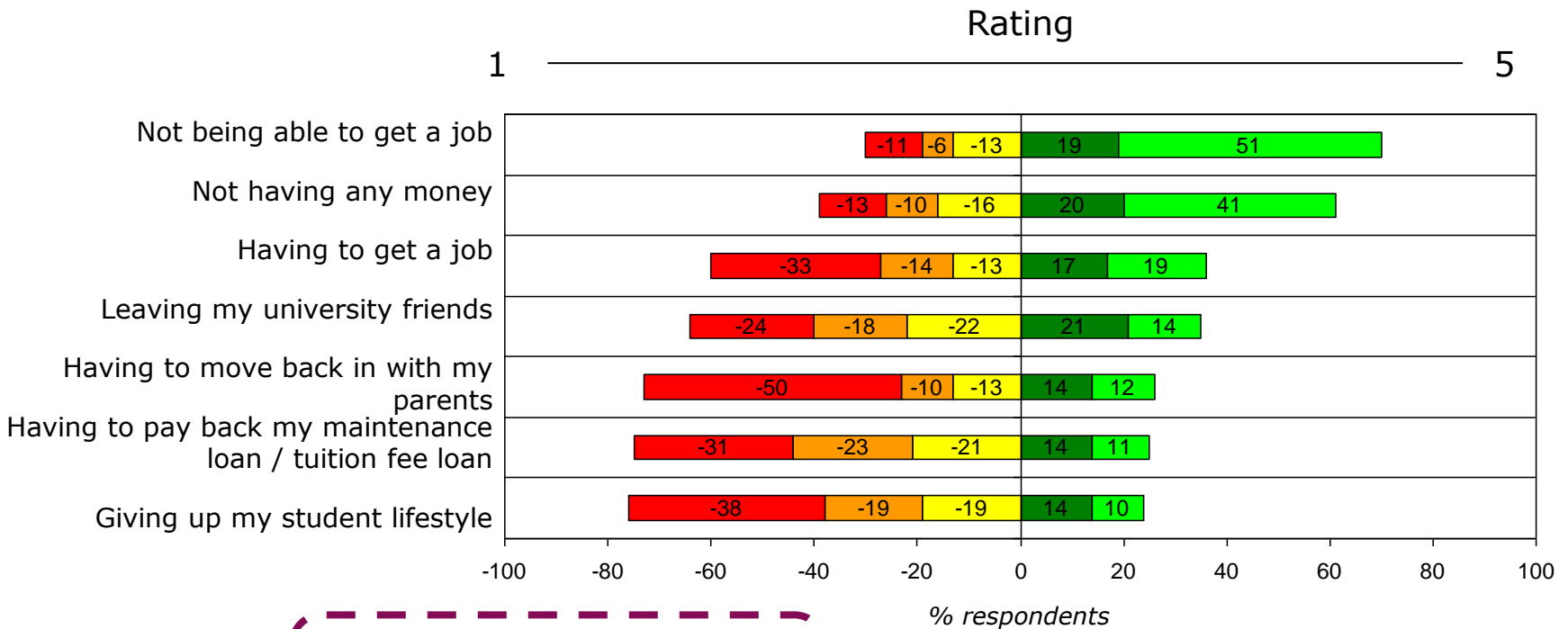


Base: 357 Respondents
Balance: Those not in current employment

Section B: Considerations before starting employment

The main concern for respondents was not being able to find a job on graduation. Concerns about paying back any student loans were relatively lower down the list of concerns

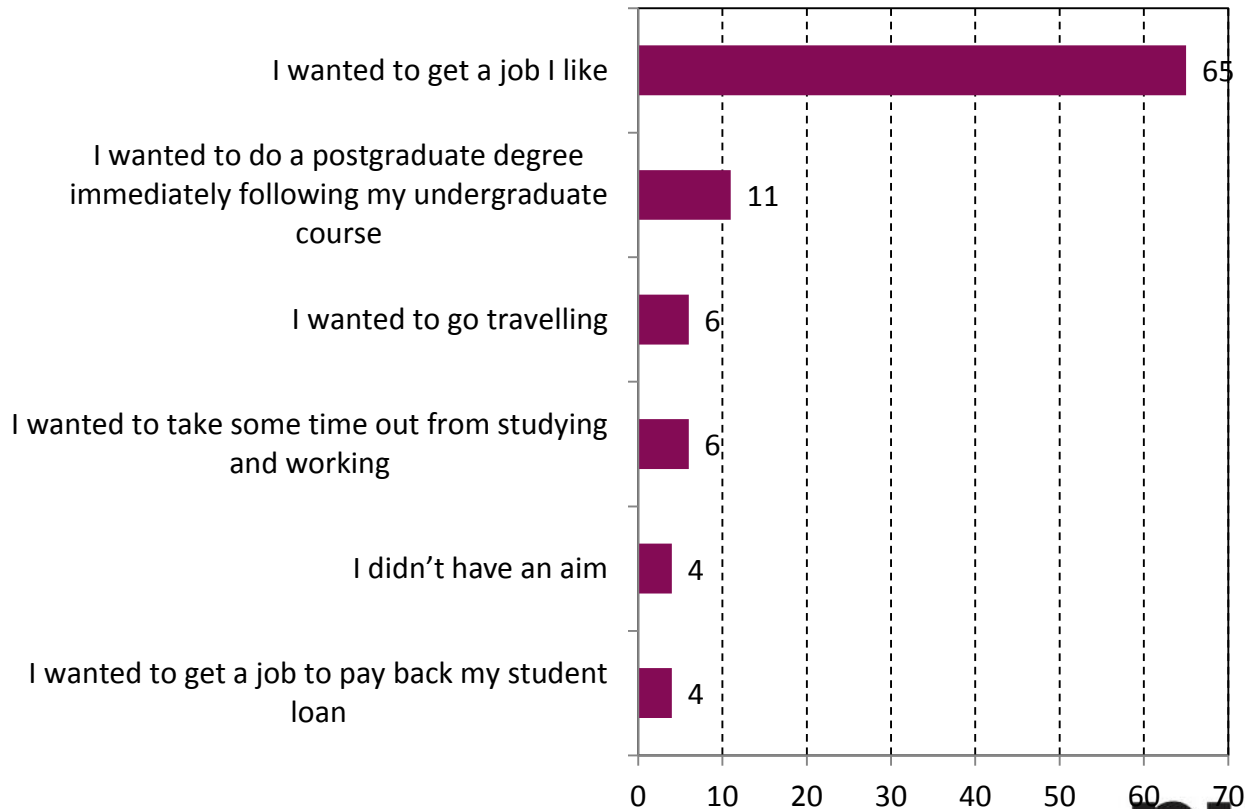
B1. Thinking back to just before graduation, can you rate the following considerations about finishing university (on a scale of 1 to 5, where 1 is of no concern and 5 was a big concern to you – presented by mean score)



The 'traffic light' system used demonstrates the ratings given here (described in the question title), where red = 1 and green = 5, as per the legend

Around two thirds of respondents aimed to get a job they liked following graduation. One in 10 indicated they wanted to do a postgraduate course immediately after their undergraduate degree

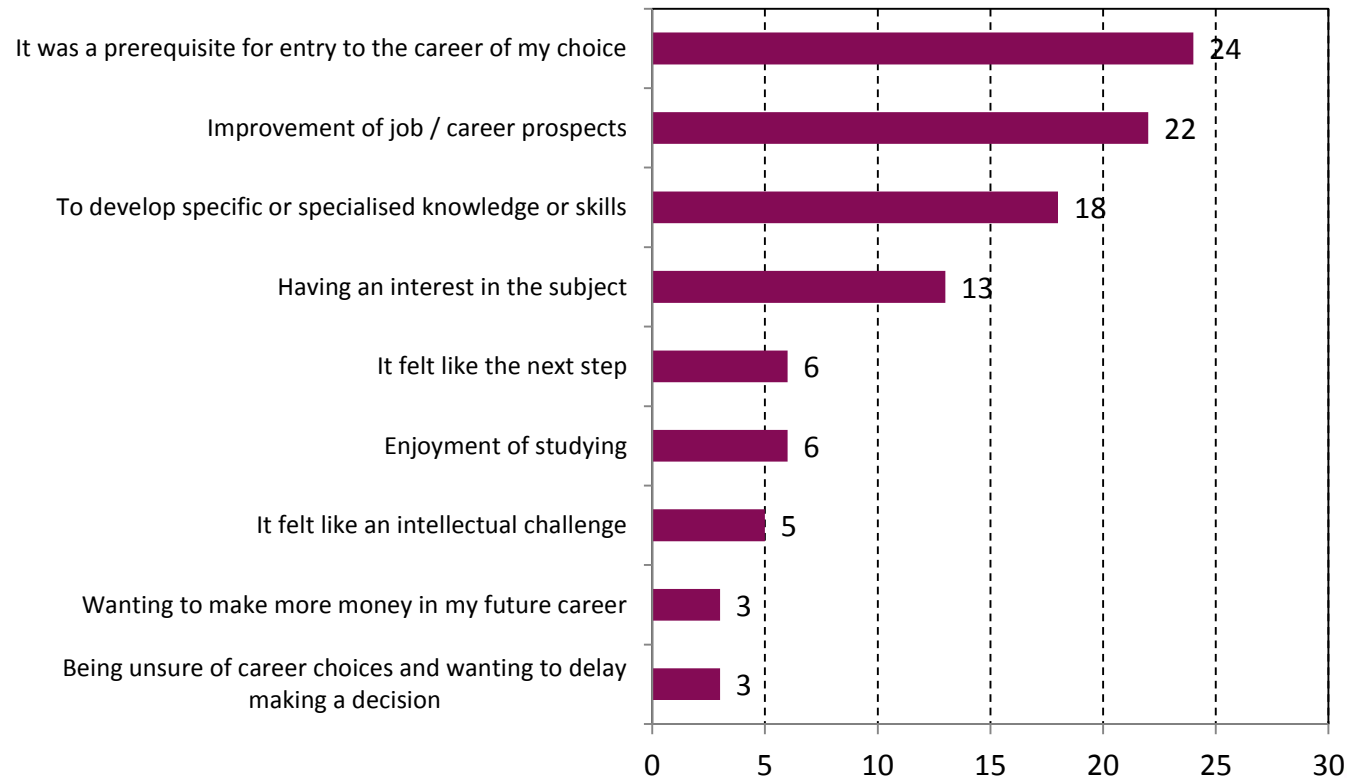
B2. During your final year of university, which of the following would you say best describes your main aim with regards to your immediate future following graduation?



Section C: Barriers to and motivations for PG study

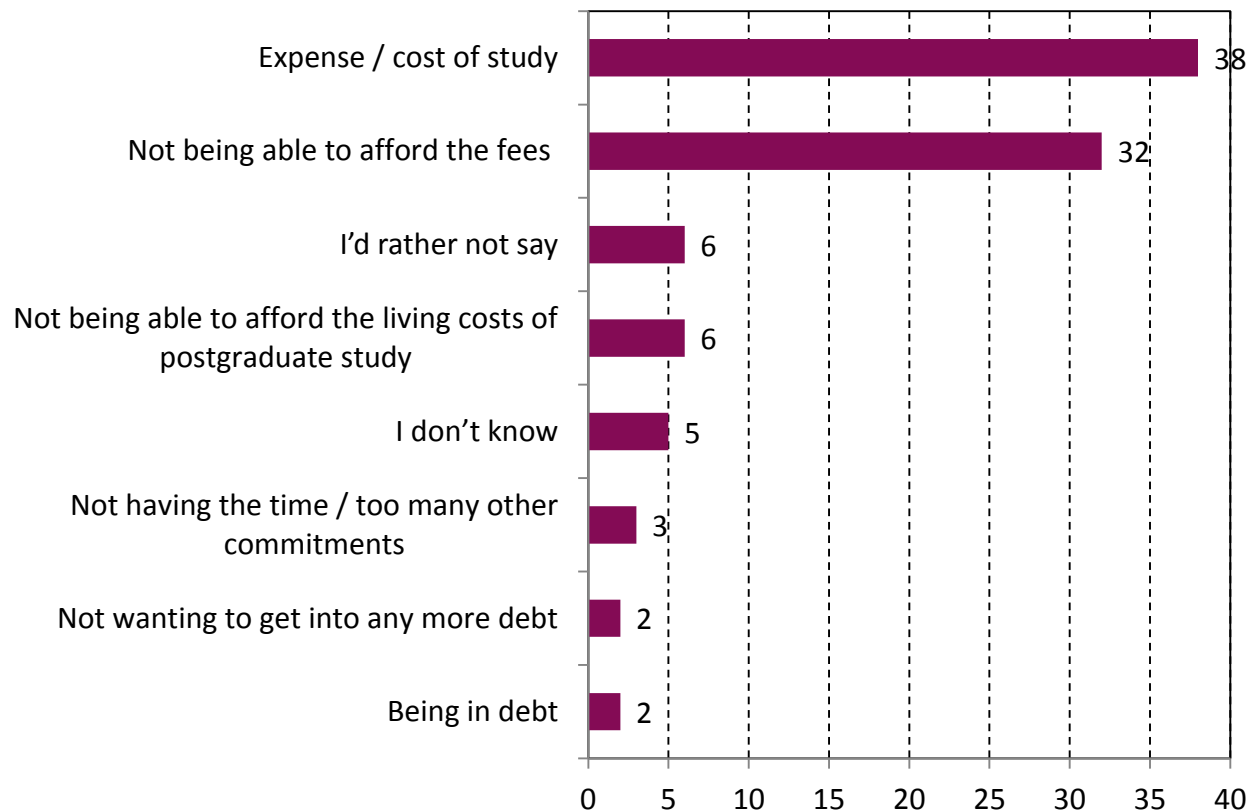
The main reasons for aspiring to carry on with a postgraduate degree following graduation were it being a prerequisite for the career of choice and improving career prospects

C1. You mentioned that you wanted to do a postgraduate degree following graduation; which of the following best describes your reasons for wanting to continue with a postgraduate degree at that time?



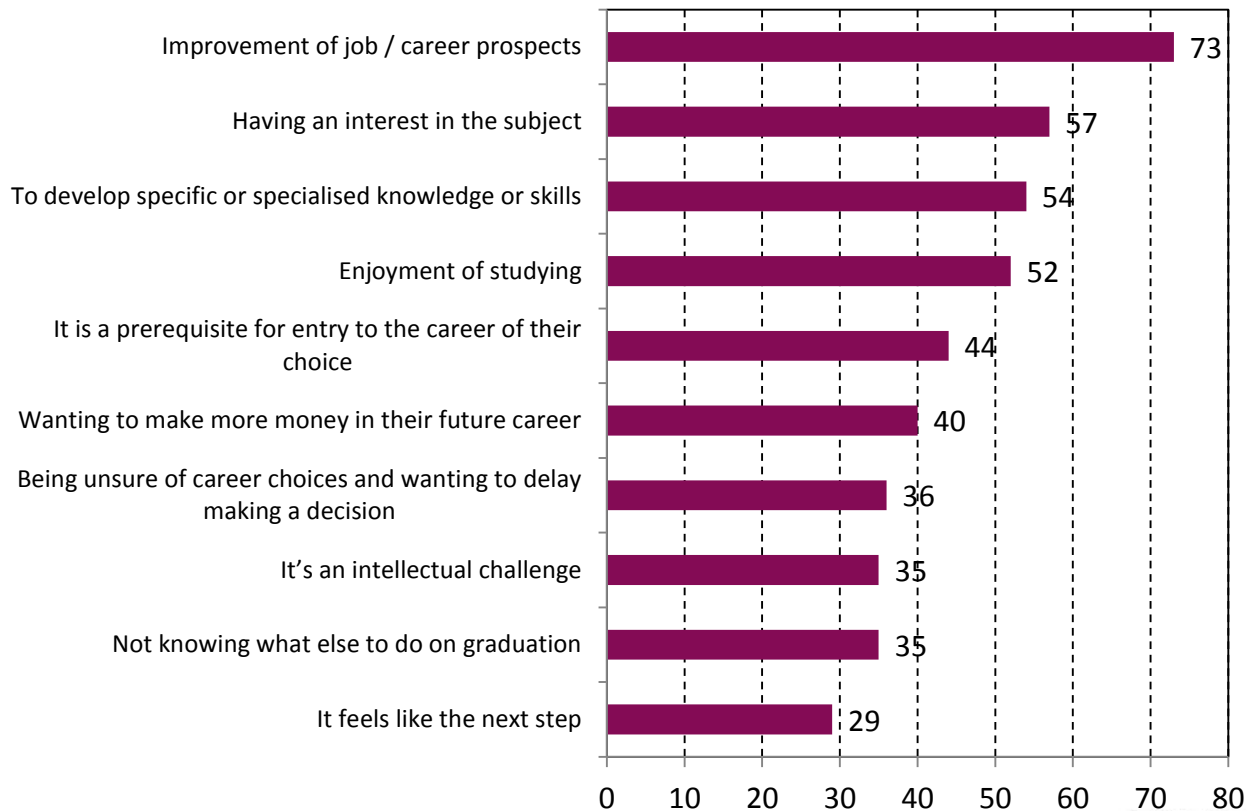
The expense of study and not being able to afford the fees were the main reasons for not pursuing a postgraduate course

C2. Which of the following best describes your main reason for not pursuing a postgraduate course immediately following your undergraduate degree?



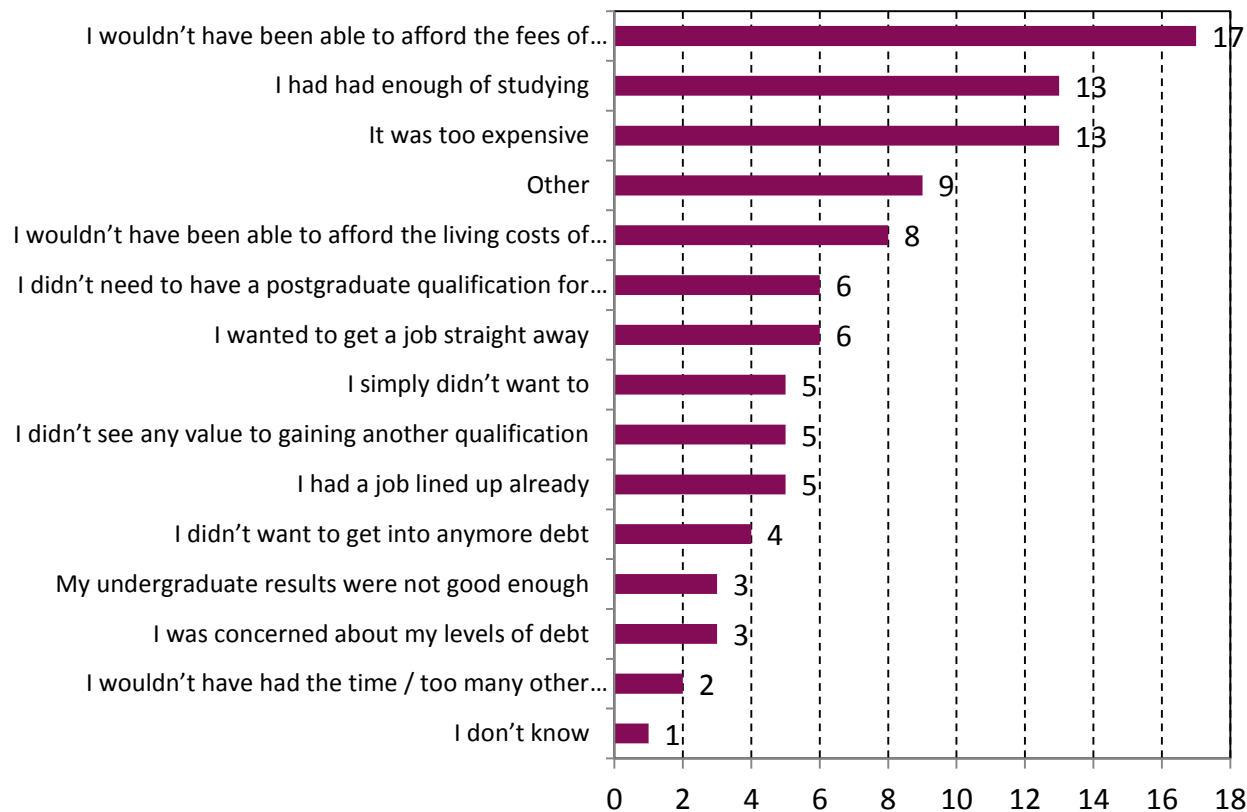
Improving career prospects was highlighted by three quarters of respondents as a reason for continuing with postgraduate study

C3. Thinking about other recent graduates, what do you think would be the main motivators for those who would want to continue with a postgraduate degree at some stage?



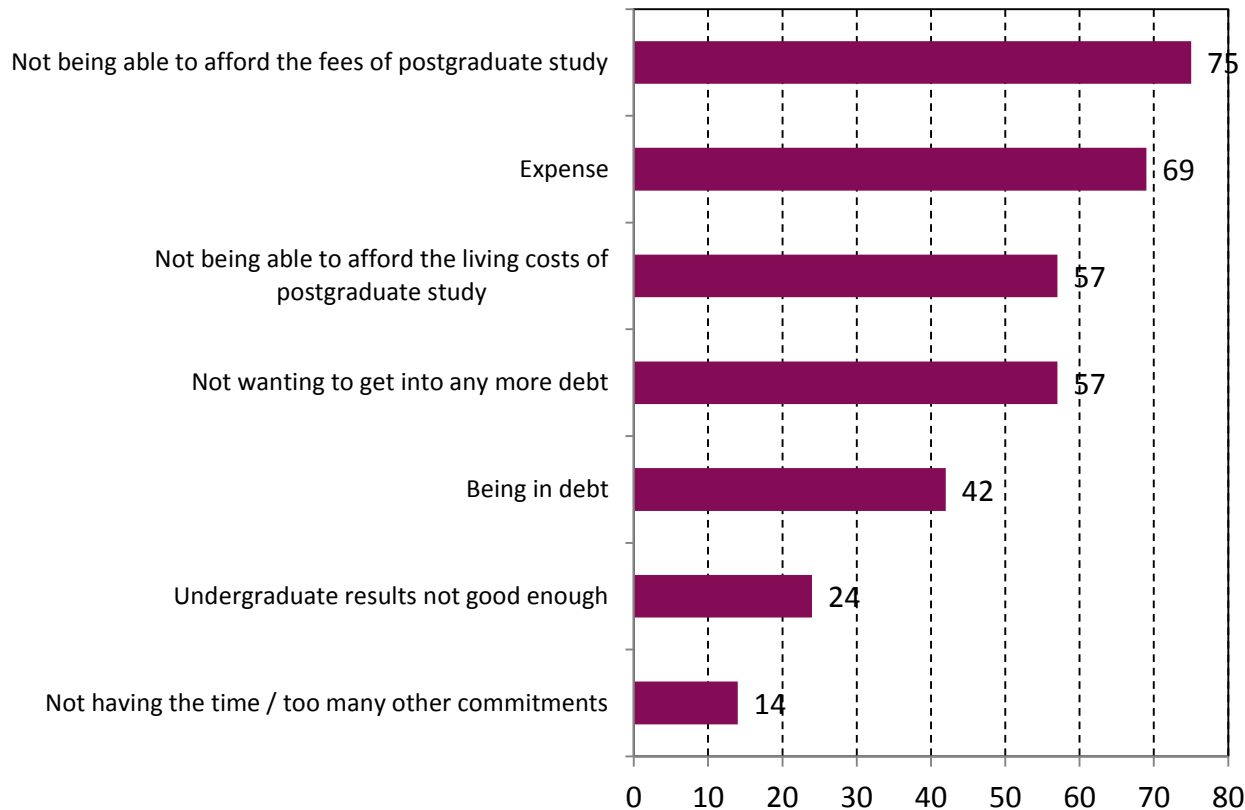
For those who did not want to pursue a postgraduate degree following graduation, not being able to afford the fees was the most common reason, followed by having had enough of studying

C4. Thinking of your own experiences, which of the following best describes your main reason for not pursuing a postgraduate course following your undergraduate degree?



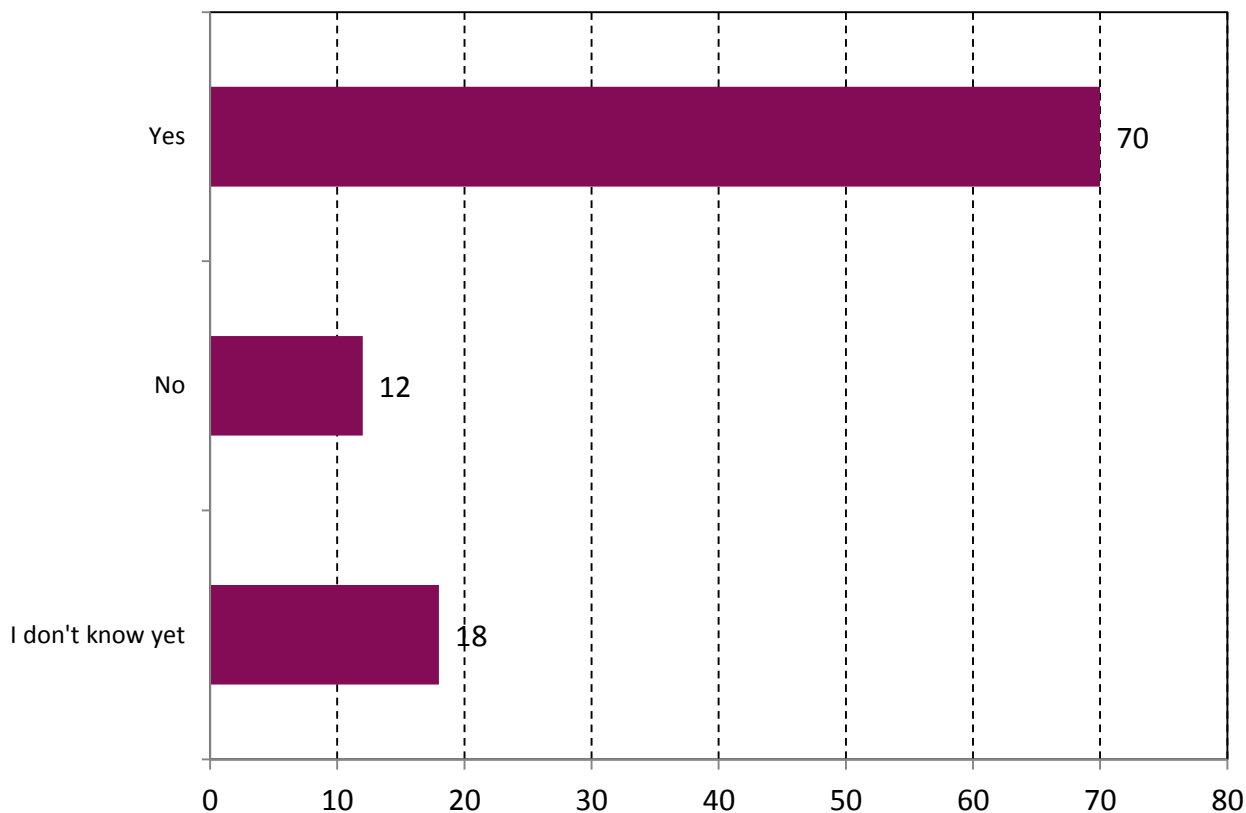
Other barriers highlighted were the cost of fees and the expense. Over half highlighted that they did not wish to get into any more debt

C5. And thinking of other recent graduates again, what do you think are the main barriers in place, if any, for other students who do want to continue with a postgraduate degree?



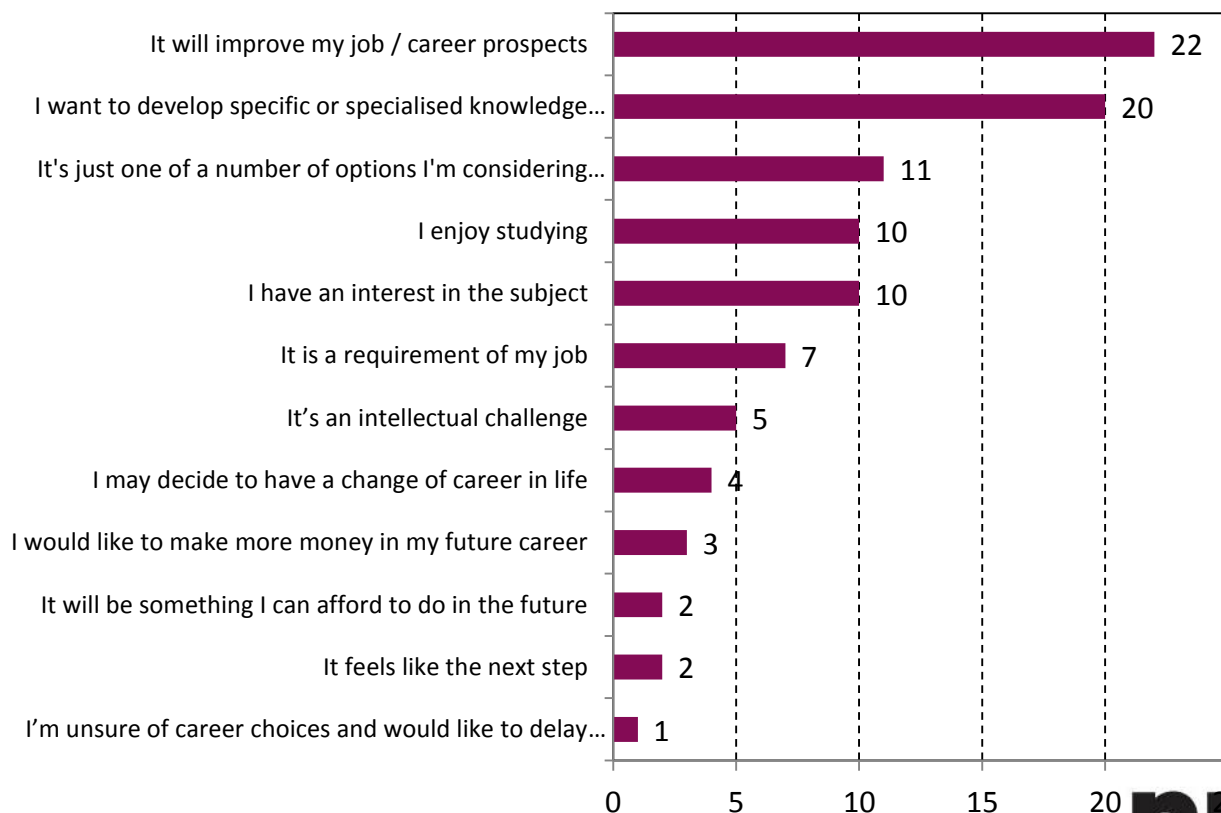
The majority would consider a postgraduate degree in the future

C6. Would you consider doing a postgraduate degree in the future?



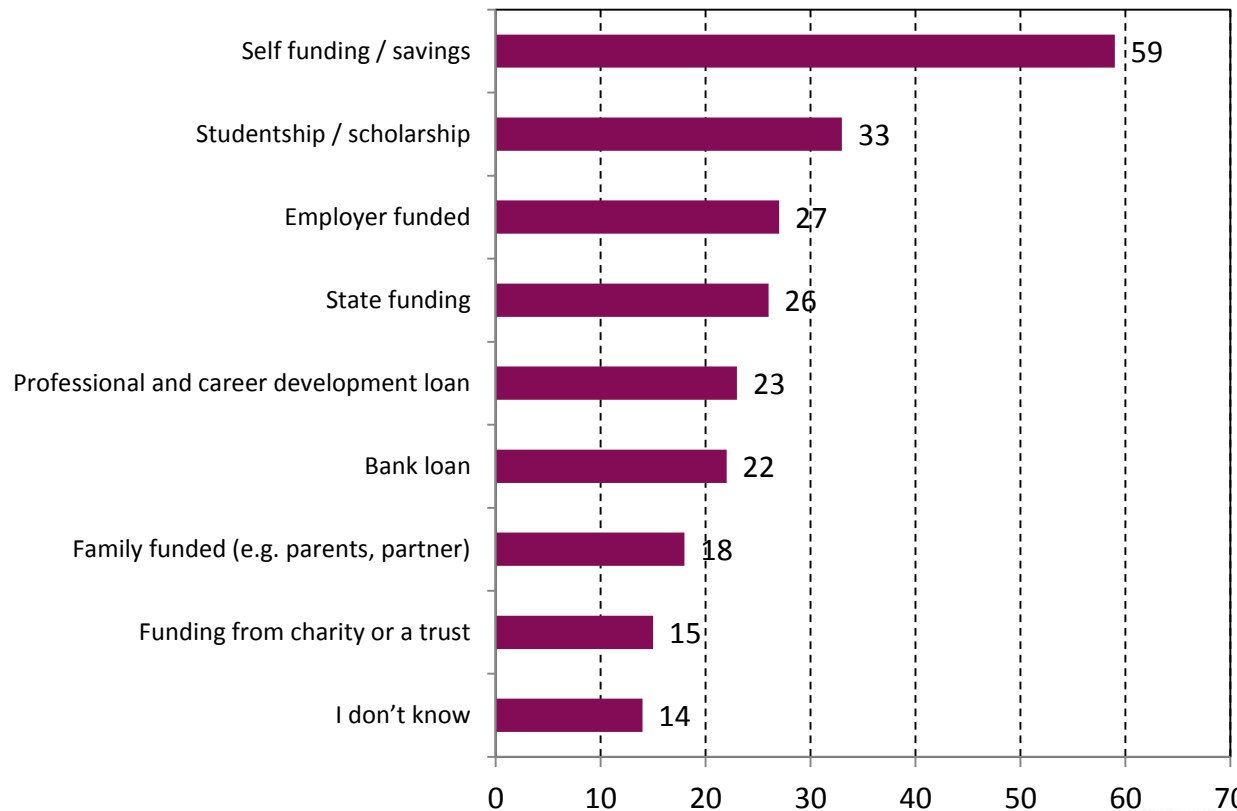
This was due to a desire to improve career prospects, particularly amongst STEM graduates

C7. Which of the following best describes your reason for considering doing a postgraduate degree in the future?



Of those who would consider a postgraduate degree in the future, over half would intend to use their own savings. Around a third would hope to get a studentship or scholarship

C8. Which, if any, of the following would you intend to use to finance your postgraduate study?



Base: 394 Respondents
Balance: Those not considering a PG degree in future
NB. Multiple response

Section D: Attitudes towards debt

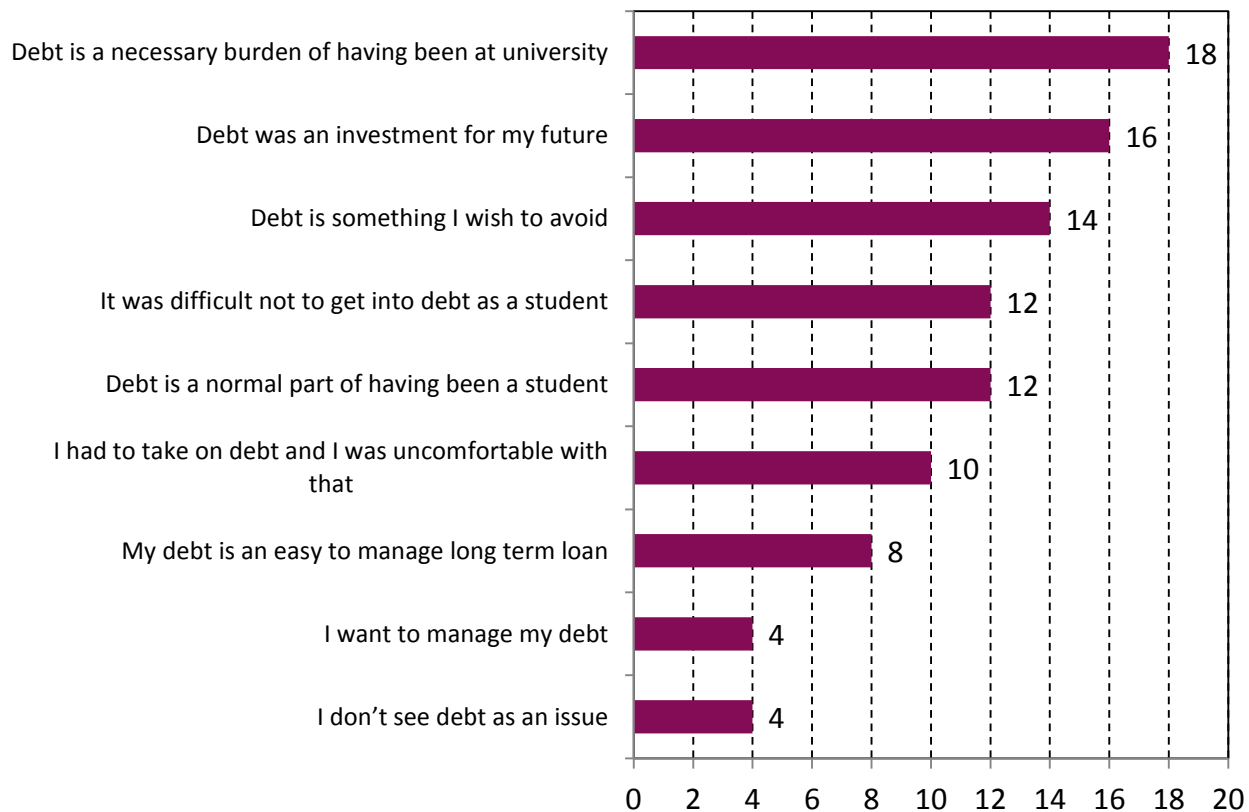
Student debt was defined as borrowed money, a burden, but also a necessary investment, that was easily manageable and nothing to worry about

D1. How would you define student debt? (Open ended)

- Borrowed money / a loan
- A burden
- A necessary investment
- Easily manageable
- Nothing to worry about

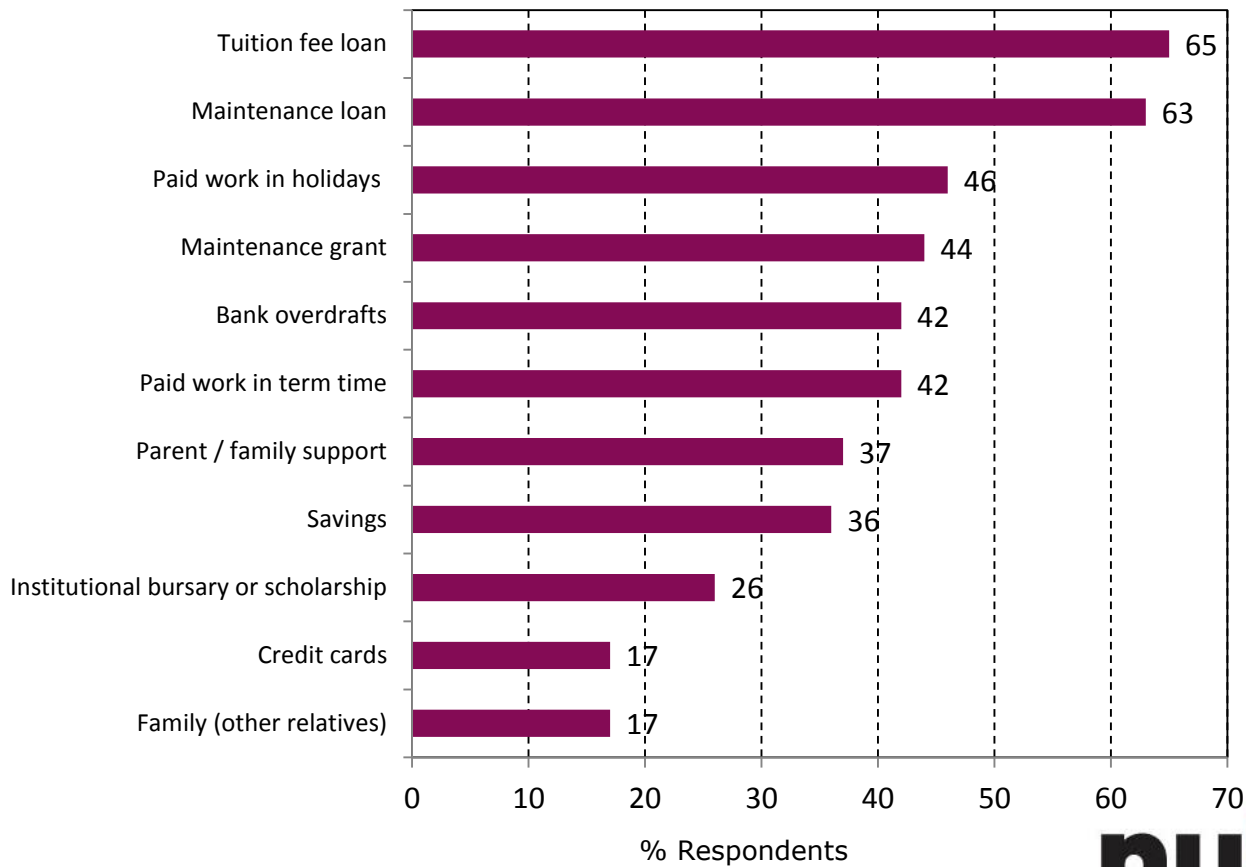
Almost two in 10 feel that debt is a necessary burden of having been at university

D2. Which of the following statements best describe how you feel about student debt?



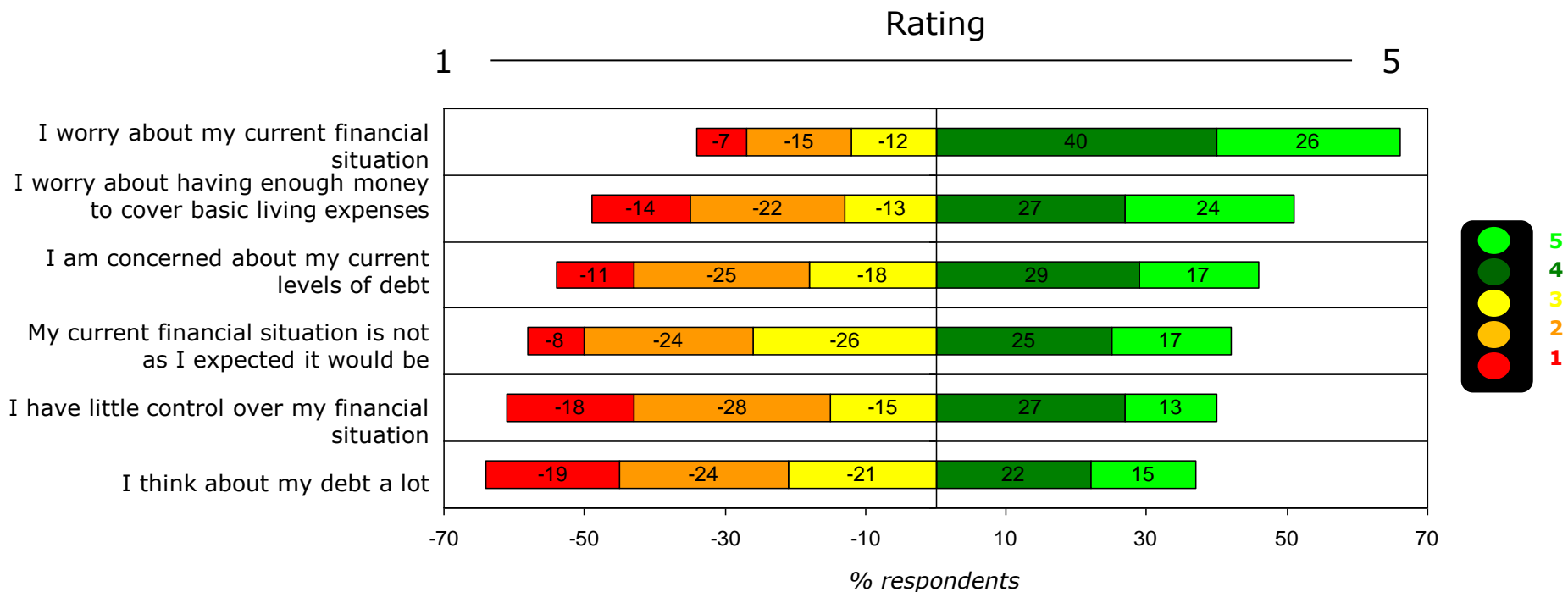
Around two thirds of respondents used a tuition fee loan and a maintenance loan to finance their time at university

D3. Which, if any, of the following did you use to finance your time in your undergraduate course (Most common answers)?



Graduates most commonly worry about their current financial situation, but are less likely to think about debt

D4. Please rate how you feel about the following statements (on a scale of 1 to 5, where 5 = strongly agree and 1 = strongly disagree – presented by mean score)

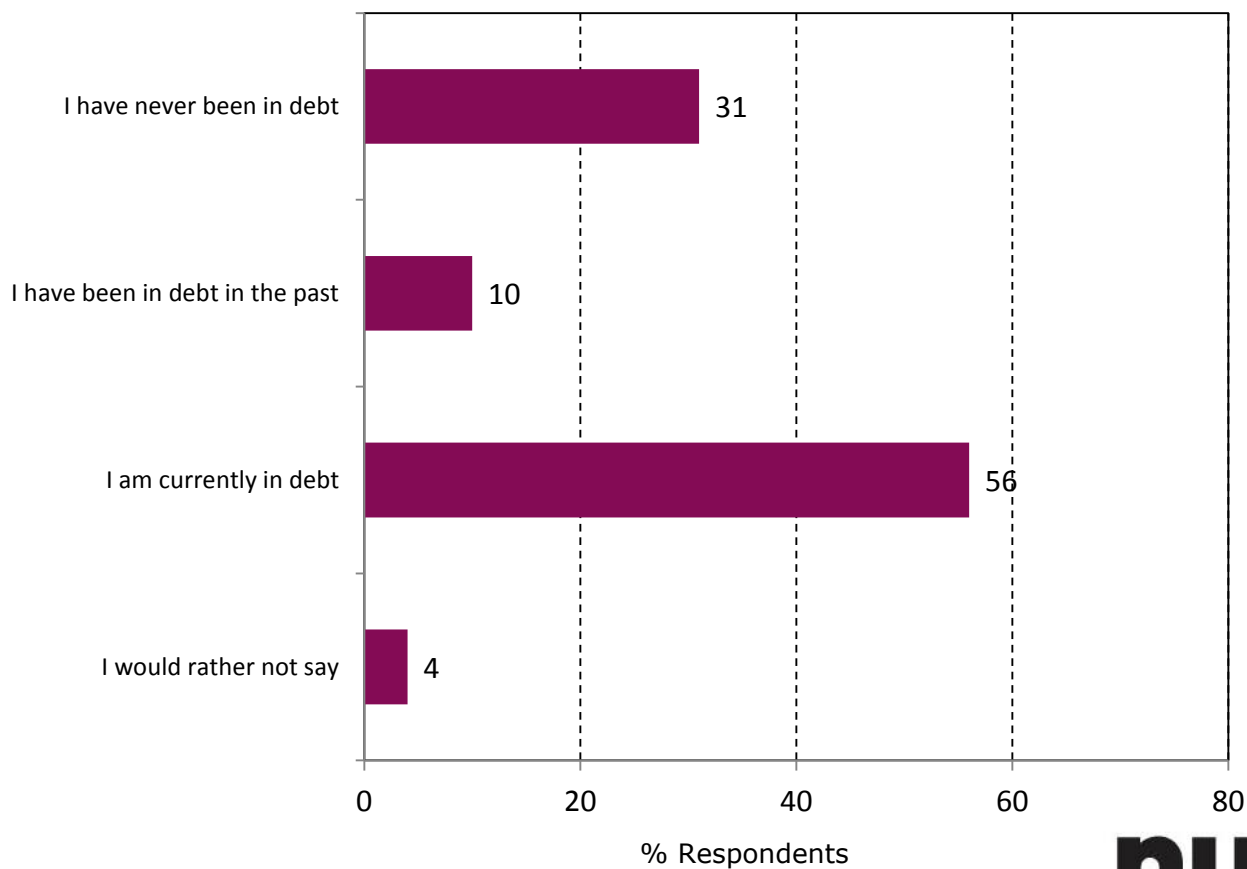


The 'traffic light' system used demonstrates the ratings given here (described in the question title), where red = 1 and green = 5, as per the legend

Section E: Current levels and sources of debt

Over half of the sample indicate that they are currently in debt

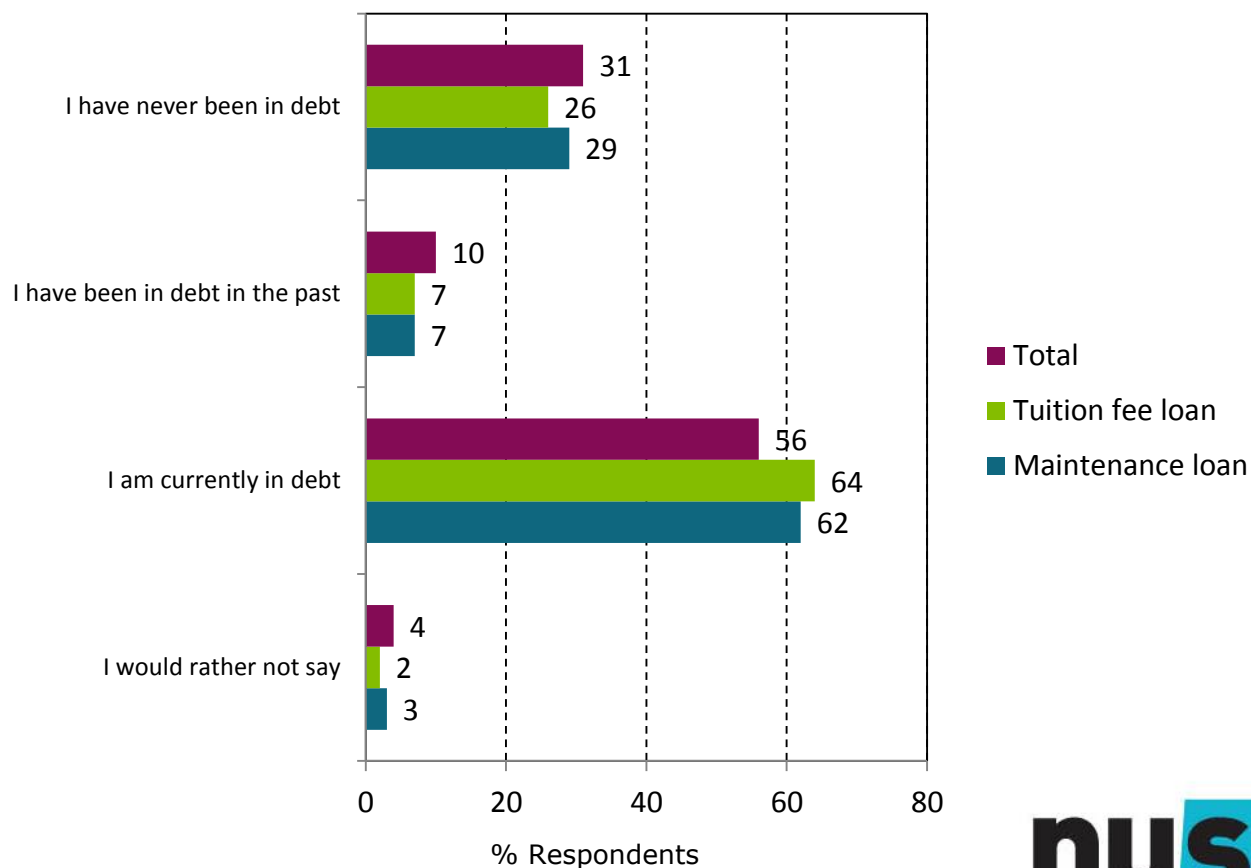
E1. Which of the following best describes your experiences of debt



Base: 565 Respondents

Around two thirds of those with a student loan highlight that they are currently in debt

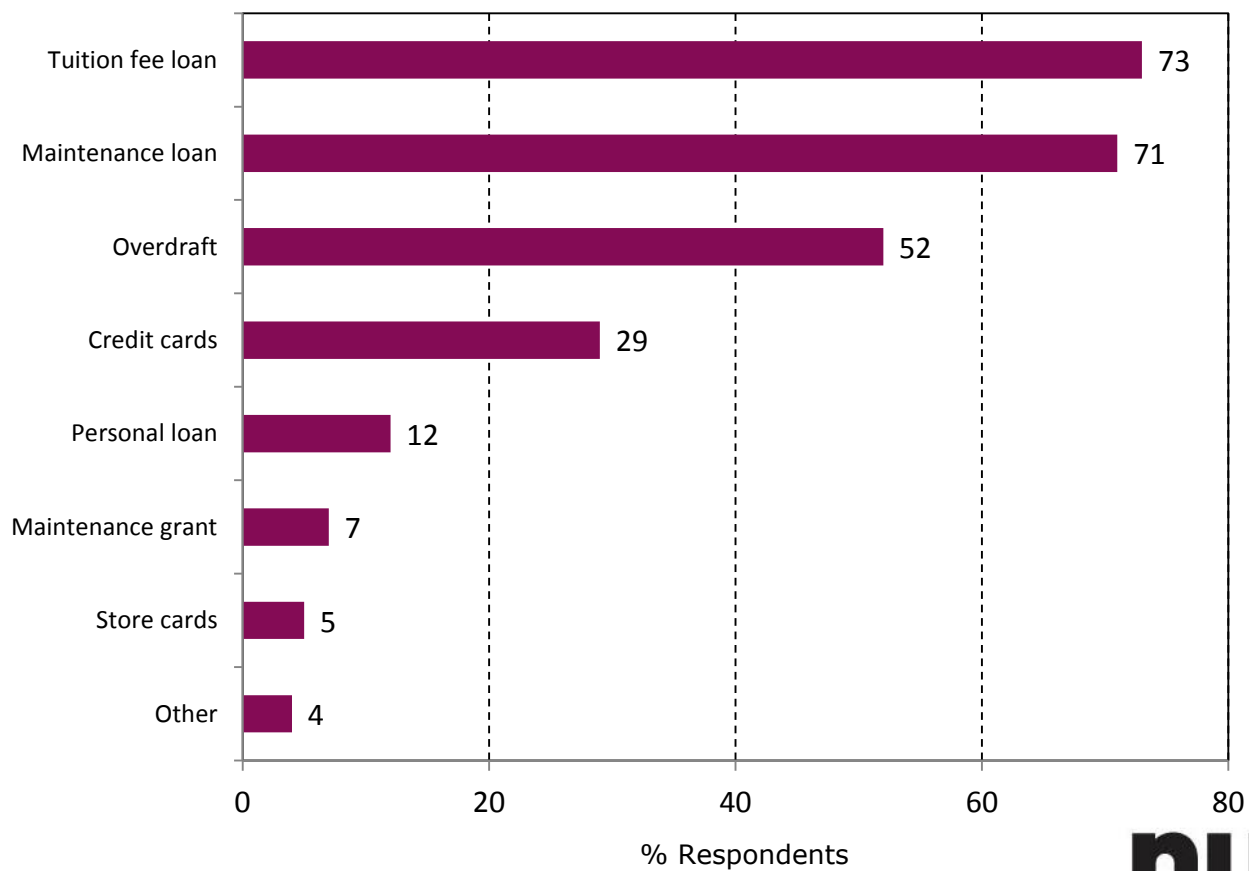
E1. Which of the following best describes your experiences of debt



Base: 565 Respondents (365 with a tuition fee loan, 246 with a maintenance loan)

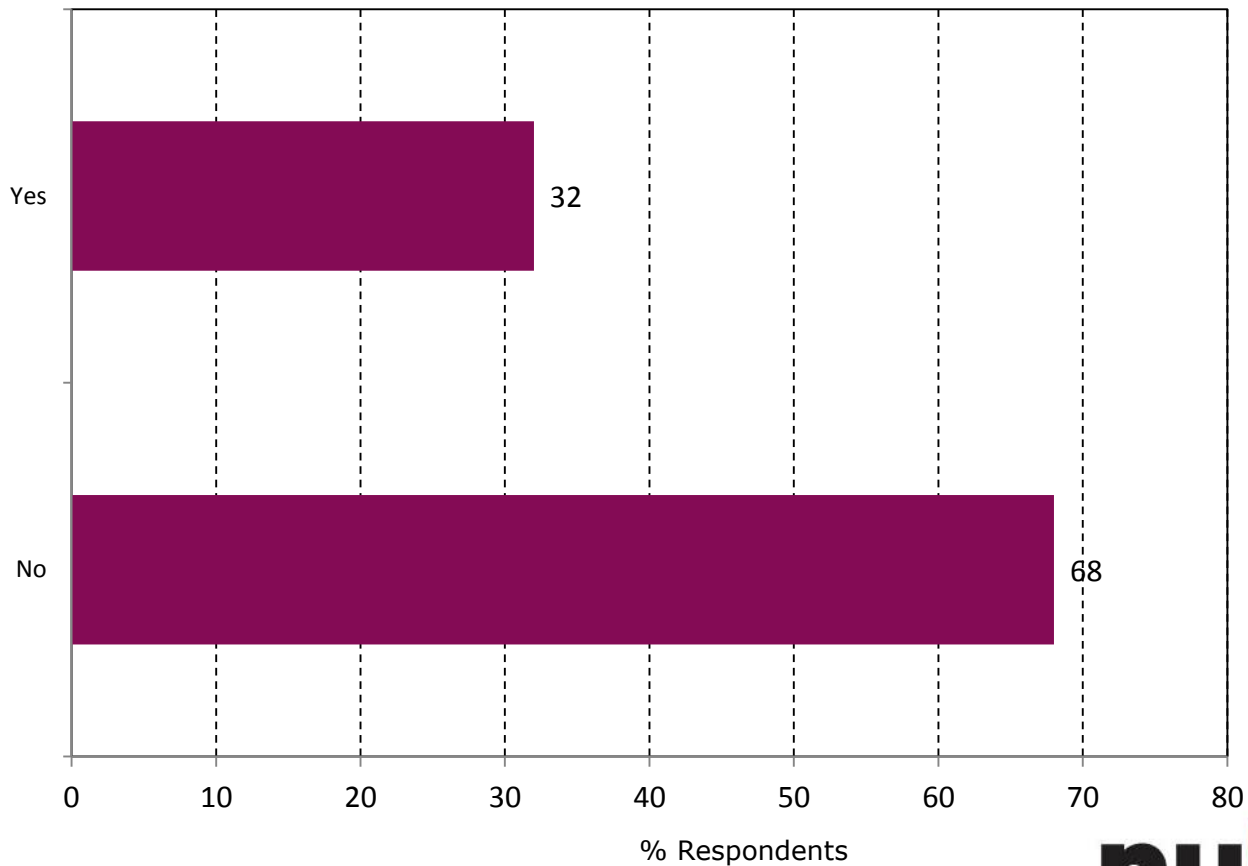
For those who believe they are in debt, around two thirds attribute this to student loans

E2. What do you consider to be the main sources of your current debt?



Around two thirds of respondents are currently repaying their student loans

E3 /E4. Are you currently repaying your student tuition fee or maintenance loan?

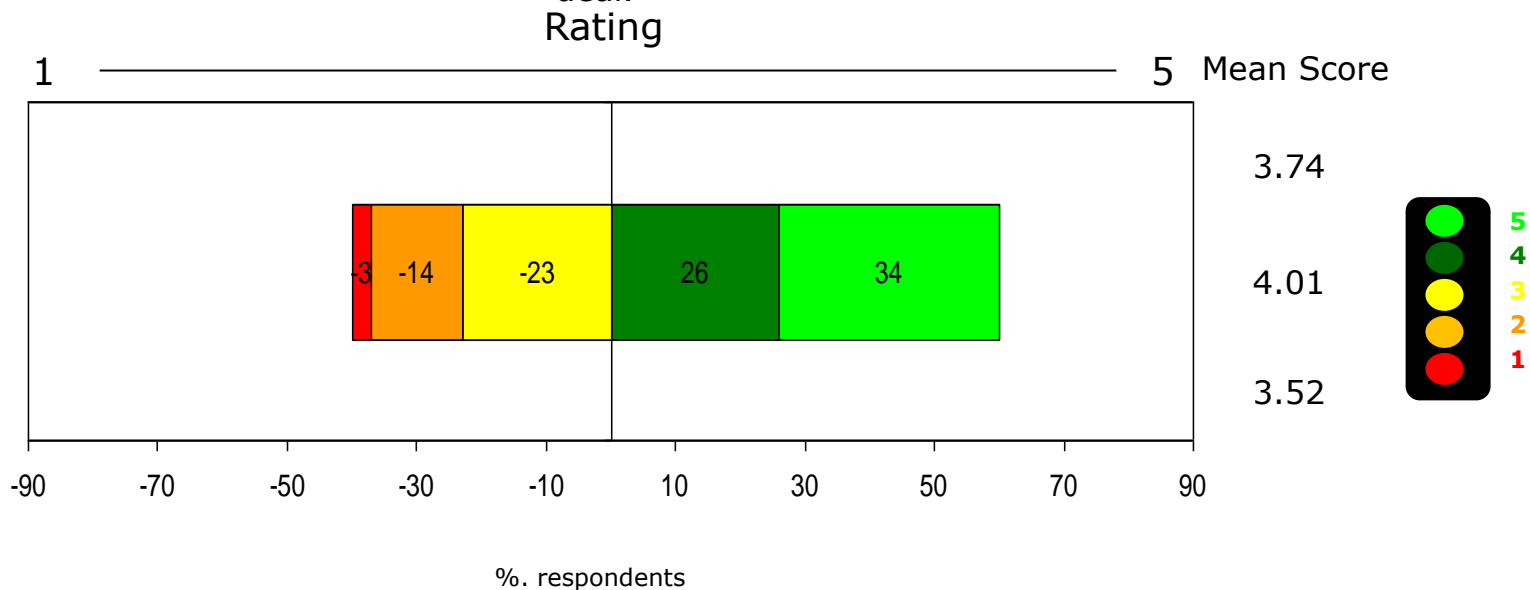


Base: 429 Respondents . Balance: No response

Section F: Impact of debt and repayment

Over half of those repaying their student loans do not feel that their day to day life is affected by these payments

F1/F2. To what extent, if at all, is your day to day life affected by your student loan repayments on a scale of 1 to 5, where 5 is not affected at all and 1 is affected a great deal.



Base: 136 Respondents. Balance: Those not currently repaying their student loan

Section G: Advice for future PG students

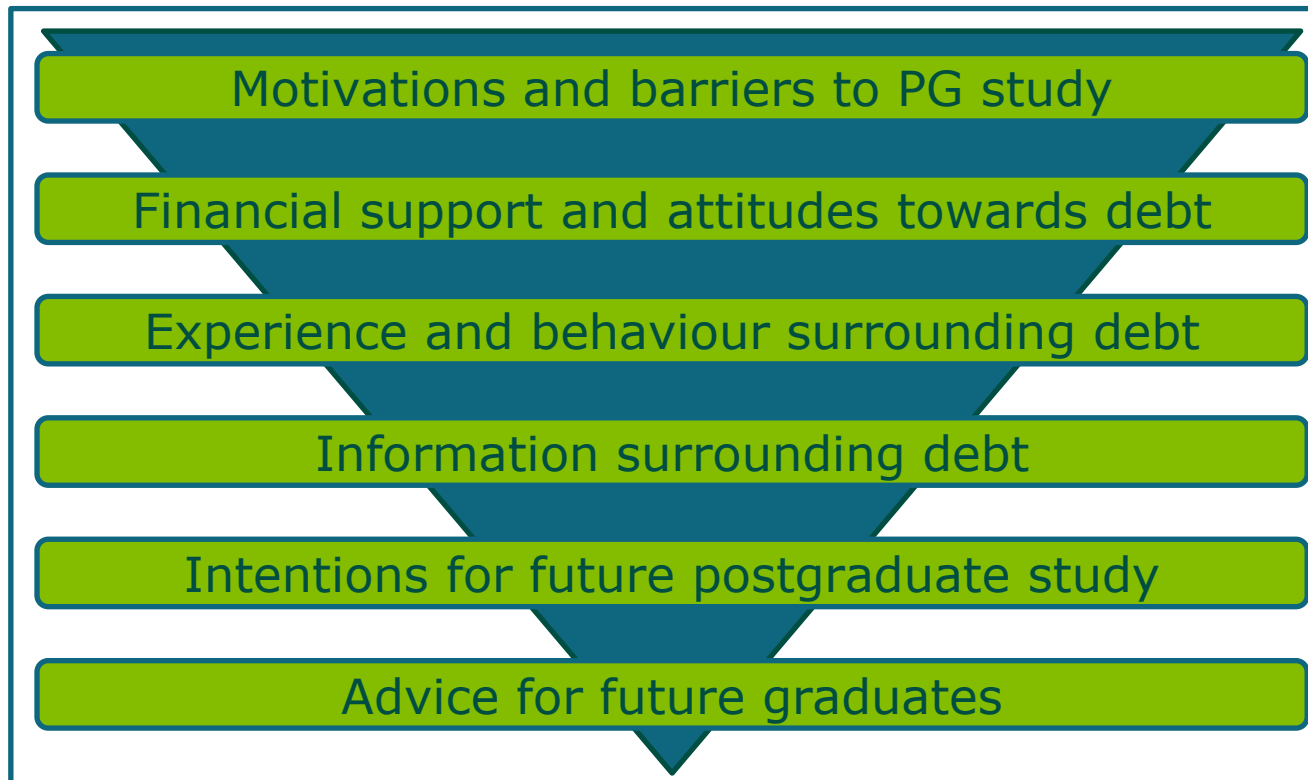
Better financial support and lower fees were the most common factors highlighted for enabling respondents to have pursued a postgraduate degree

G1. What, if anything, would have encouraged you or enabled you to pursue a postgraduate course following your undergraduate degree? (Open ended)

- Financial support
- Lower fees
- Being in a better financial position
- A loan system like the undergraduate one
- Knowing there would be a guaranteed job / better job prospects in doing a postgraduate degree

Control Phase Graduate Discussion Guide

Control phase Graduate Discussion Guide



- 1 group with 10 graduates

NUS Services for the British Academy

Student attitudes to debt and its impact on
postgraduate participation