Theory for the Job: Comparing Human Capital and Cultural Capital to Understand Graduates Employability

Xin Zhou

1 Independent Researcher, China

Correspondence: Xin Zhou, Independent Researcher, China.

doi:10.56397/SSSH.2023.11.06

Abstract
The employability of graduates is an important factor in linking higher education institutions to the labour market. As higher education continues to expand, master’s degrees are gradually becoming more popular in the Chinese job market. This essay will focus on the inequality in employability between Chinese students who have obtained their master’s degrees in UK universities and those who have obtained their master’s degrees in local Chinese universities. Moreover, this essay analyses the causes of this inequality by applying cultural capital theory and human capital theory, including the specific definitions, key concepts and problem analyses of the two theories. Finally, the purpose of comparing and contrasting the two theories is to explain the educational inequity of different employability resulting from the same academic qualifications.

Keywords: mass education, employability, cultural capital, human capital, international comparative

1. Introduction
Graduates employability is a vital factor to relate higher education institutions to the labour market (Crossman & Clarke, 2010; Van Mol, 2017). With the expanding higher education, Master’s degrees are gradually becoming commonplace in the Chinese job market. This thesis will concentrate on the inequalities in the employability of Chinese students who obtain master’s degrees in UK universities and those who obtain master’s degrees in local Chinese universities. As revealed in Zhai and Gao (2021), and Xiong and Mok (2020) are research, UK returnees seem more employable than their peers with same-level degrees in Chinese universities in the labour market of large cities in China, this thesis will use cultural capital and human capital respectively to explain this phenomenon. The first section of this essay begins with a brief presentation of this educational inequity issue concerning the same degree leading to different employability. It then uses cultural capital and human capital theories to analyse the causes of this inequitable situation, including specific definitions of the two theories, key concepts and issue analysis. Lastly, the two theories are compared and contrasted.

2. Graduate Employability and Social Justice
This section provides a brief introduction of graduate employability of students with UK degree and Chinese degree in China’s domestic job market. Next, it is analysed how this inequitable distribution of employment relates to social justice and equity. Finally, indicating the importance of employability at the theoretical level and the practical level in postgraduate education.

2.1 UK Master Degree Returnees Verse Chinese Domestic Postgraduates
For students with a Bachelor’s degree in China, if they desire to pursue a Master’s degree, it can be classified into international degrees and Chinese degrees (Zhai & Gao, 2021). Firstly, Chinese undergraduate students who choose to enter overseas institutions for further study. According to the Higher Education Statistical Agency in the UK (HESA)’s data, the number of Chinese students registered for full-time taught masters in the UK was 57,040, accounting for approximately 53% of the total number of participants staying in the UK in 2018.
Similarly, Xiong and Mok (2020) note that the number of mainland Chinese students international learning was around 600,000 in 2017 and that 90% of international students were self-funded. Furthermore, some authors discovered that most Chinese graduates were contented with their study experience in the UK because the taught Masters has helped them to acquire some essential soft skills (Crossman & Clarke, 2010; Iannelli & Huang, 2014; Gu & Schweisfurth, 2015). For example, critical thinking, problem-solving and team communication skills. Therefore, because a UK Master’s degree can bring some soft skills and professional knowledge, some parents are willing to afford the economic capital to assist their children in obtaining this degree.

There are also students who pursue Master’s degrees in local Chinese universities for various reasons. One reason can be that some of their families are not be able to afford the high tuition fees of studying abroad (Xiong & Mok, 2020). Some of these students succeed in gaining admission to local universities through rigorous examinations and pay more time costs than their undergraduate peers who opt for a UK Master’s degree. Regarding the data of the National Bureau of Statistics of China in 2019, there are enrolled 762,500 students for the Master’s degree in domestic universities, while 2,900,000 candidates registered for this entrance exam. As a result, domestic graduates should be competitive in the local job market because they overcome a more competitive examination situation.

When domestic graduates and UK returnees enter the labour market in big cities in China, however, there are variations in the employment performance of these two groups (Zhai & Gao, 2021). Big cities in China, such as Beijing, Shanghai and Shenzhen, are considered to have more career development opportunities and more social resources, and therefore become attractive choices for graduates (Mok et al., 2020). In comparison, a Master’s degree from the UK is perceived to be more recognised by employers. Because the UK degree is understood to possess more soft skills than domestic degrees, the international degree would provide a ‘signal’ to attract some big cities employers (Zhai & Gao, 2021). In summary, Table 1 presents a brief comparison of UK Masters degrees and local Chinese degrees. The previous research shows that the different academic qualifications create inequality of employment opportunities in the Chinese labour market among these two graduates.

### 2.2 Redistribution Justice in Different Groups Employability

Redistribution justice in higher education is generally understood to mean that all graduates are equally distributed of direct benefits and intangible benefits, including occupational opportunities, income equalities and effective advancement (Keddie, 2012). The expansion of higher education in China provides more chances for teenagers from less advantageous social backgrounds to enter Chinese universities (Clarke, 2018). Accordingly, the labour market has not been rationally optimized to accommodate more educated workers, resulting in the ‘graduate premia’ (Zhai & Gao, 2021). Therefore, students from the privileged background are more likely to perform well in job competition than their competitive counterparts from more modest backgrounds.

Employers expect their future employees to be highly trained so that they can tap directly into the work environment without additional training (Xiong & Mok, 2020). Recruitment standards emphasize not only the baseline academic credentials but also employees’ soft skills such as teamwork abilities and learning capacity (Mok & SpringerLink, 2017; Blackmore et al., 2017). Furthermore, with the growing global competition, educated youth are more eager to acquire urban resources. Urban resources imply a better chance of employment and more resources, such as educational and social opportunities. However, China’s current reality is still skewed in advantaged classes to effectively possesses excellent employability (Zhai & Gao, 2021). Therefore, higher education’s massification might not achieve the goal of addressing social equality, but it intensifies inequality in the distribution of employment outcomes in big cities.

### 2.3 Graduates Employability

Students employability has been considered a push factor in youth and their families’ determination to participate in higher education. In theoretical terms, employability can be defined as acquiring professional knowledge through higher education and using these skills to achieve subsequent employment openings in the labour market (Smith & Joshi, 2016). Tomlinson (2017) has challenged some of Smith and Joshi’s (2016) conclusions, arguing that the curriculum settings are different between the University and Technology school, such as UK degrees being less relevant to some subjects’ professional skills. However, the academic qualification of higher education is almost certainly an effective tool to improve students’ employability in the local job market (Xiong & Mok, 2020). In summary, graduate employability relates to the individuals’ future career development.

In practical terms, it is crucial to examine the relationship between overseas degrees and job opportunities in big cities in China. On the one hand, this relates to the educational choices made by Chinese parents. Although studying abroad requires parents to invest a significant amount of economic capital in schooling (Mok et al., 2020), some parents are willing to provide their children a chance to do so if a foreign qualification will generate certainty employability in their children’s future career. On the other hand, the growing number of individuals
studying abroad inevitably leads to a comparison between overseas and domestic degrees, and may even influence the higher education curriculum in Chinese universities. Overall, graduate employability is related to parents’ educational choices and involves social developments and educational reforms.

As indicated previously, the concepts of ‘graduate employability’ are central to addressing education/work relations and influencing different groups of students’ choices to enter higher education. As researches reveal, returnees holding UK degrees may have better chance to find jobs in big cities than those with Chinese degrees. The next section will draw on two theoretical approaches to analyse this issue.

3. Theoretical Approaches to Analysis This Issue

This section has illustrated the fundamental concepts of human capital and cultural capital, and the relevance. It focuses on human capital and higher education, educational choices, and investment risks in education. Moreover, the relationship between graduates from different social origins and employment outcomes is analysed through the different forms of cultural capital.

3.1 Human Capital

Previous studies mostly defined human capital as a collection of productive skills possessed by individuals that can generate earnings in the labour market and increase consumption selections for households (Sweetland, 1996; Becker, 1993).

3.1.1 Human Capital vs. Higher Education

Regarding students how gain human capital through university studies, Sweetland (1996) argues that higher education institutions can increase or enhance the employability of students to a certain extent. In the same vein, Gaddis (2013) agrees that there are some particular areas of study where human capital offers tangible and transferable benefits, such as medicine, nursing, and law. However, in social sciences areas, graduates cannot directly acquire the specific technical skills that result from human capital. This view is supported by Marginson (2018) who states that higher education provides general learning rather than specific training, and the UK educational system has relatively little correlation between degrees and graduates’ career choices.

A survey of education-work match of graduates from UK universities found that 45% of graduates considered that their current job was not strongly related to what they learnt in university, or even not related at all (Robst, 2007). Similarly, returnees believed that the soft skills acquired from UK universities, such as intercultural understanding and critical thinking, assisted them in finding their current job more than their academic skills (Zhai & Gao, 2021). In contrast, native Chinese masters were more likely to indicate that their professional abilities gave them more support in the local job market (Lee & Wright, 2016).

3.1.2 Families’ Educational Choices and Human Capital Rewards for Education

Financial returns to education is a significant concern in human capital theory (Becker, 1993). Robeyns (2006) focuses on the direct educational benefits, discovering that an educated workforce’s income determines the value of the educational investment. Robeyns’s work on educational investment is further complemented by Kalfa and Taksa’s (2015) study, where they argue that the different levels and types of education result in varying economic returns to schooling. More specifically, higher education investment is valuable because it can lead to favourable job market feedback. As interviews with returnees from top tier cities in Mok and Xiong (2020) investigation showed that a UK degree indeed provides them with better employment opportunities, despite their awareness that there was little impact of the study field in relation to the current job. In all, these researchers provide an explanation that as students’ educational attainment increases, there would be a consequent improvement in their job opportunities and labour force levels and income profile.

Different findings exist as well. Benson (1978) suggests that there might be no relationship between graduates’ educational attainment and work performance, and income disparities reflect no differences in a workforce of academic levels and employers’ simple concern with workers’ educational attainment. Becker’s data (1993) supports this view as he investigated the paid difference between high school young adults and college graduates in the US and found that there is no connection between education levels and wages. As a result, the relationship between tertiary education and direct economic returns is controversial. However, while it cannot be proven that higher education raises the wages of the workforce, educated workers do have better career progression in the decade after work (Williams et al., 2016).

3.1.3 Risks of Investing in Education

Becker (1993) believes that educational investments can be risky, and educational returns are not the same for each family. More precisely, he indicates that ‘more able individuals have higher returns from investment in human capital and, therefore, invest more’ (Weiss, 2015, 28). It illustrates that social inequality is rooted in the different quantity and quality of educational investments by different income groups.
Becker’s study, however, fails to consider that when the same level of educational quality and quantity is provided, it still does not produce the same amount of economic benefits (Robeyns, 2006). Capsada-Munsech (2020) supports this view, demonstrates that social origin significantly influences students’ academic success and employment outcomes. Likewise, these findings are consistent with the issue of the topic. Although local graduates and British returnees both receive formal academic credentials, Table 2 has shown that UK graduates from economic elite families are more likely to perform better than those trained locally in terms of employability in large cities.

3.2 Cultural Capital

Cultural capital, the knowledge, behaviours and skills that an individual uses to manifest their cultural capability and social condition, can be divided into institutionalized state, objectified state and embodied state (Richardson, 1986). Institutionalized state can broadly be described as various valuable certificates (Tomlinson, 2017), such as academic credentials and IELTS reports. Objectified state means material objects of culture (Bourdieu & Nice, 1977; Zhang & Tang, 2020), such as curriculum settings and enrichment group activities. Embodied state refers to abilities or skills, accents and behaviours that must be combined with human (Bunnell et al., 2017). For instance, returning overseas graduates have gained international cultural capital from their studying or interning abroad.

As discussed above, the postgraduate students who have obtained foreign qualifications and the domestic credentials covered have obtained their undergraduate degrees from Chinese universities in this article. Hence, these returnees are considered to have dual cultural capital, domestic capital and international cultural capital. Dual cultural capital may have contributed to the increase in international graduates employability in developed cities.

3.2.1 Educational Degree and Economic Benefit

Educational degree is defined as ‘a certificate of technical competence and technical skills’ (Bourdieu, 1996, 118). On the one hand, formal degrees allow stakeholders to evaluate their employees comparatively based on the different academic qualifications. More importantly, it can enable cultural capital to be effectively translated into economic capital. Kalfa and Taksa (2015) support this view, arguing that a credential is a solid and transparent voucher, as it can effectively measure the match between job performance and the technical skills required in the worker. For example, UK degree holders appear to be more employable and receive higher wages than their domestically trained peers in the current labour market in China because their critical thinking and problem-solving are aligned with employers’ expectations for adaptability of employees in big cities (Zhai & Gao, 2021).

On the other hand, credentials are valued depending on their scarcity in the labour market. Cultural capital scarcity brings differentiated characteristics and ensures that individuals receive profits (Bourdieu & Nice, 1977). Similarly, Brown’s opportunity trap theory suggests that if families adopt the same strategies to enhance students’ employability, there would be no one to stand out (Brown & Ryan, 2003). This is also happening in China. With the expansion of higher education, it has controlled to an increasing number of well-educated young people entering the job market. Employers are looking for employees who have obtained not only formal certificates, but also present soft skills.

In the same vein, Bourdieu (2011) notes that social dignity can be understood as social competence, which represents a range of soft skills, including solving a problem and demonstrating initiative and creativity. Xiong and Mok (2020) say their data support Bourdieu’s view, as they discover that employers in China’s major cities have indicated that they are more likely to recruit graduates with overseas qualifications. Because these graduates have better soft skills than domestic graduates, such as critical thinking and independence, they believe these skills can bring more financial benefits to their companies.

3.2.2 Graduates’ Social Origin and Career Development

In the massification of higher education, graduates’ social backgrounds have become a central issue for harvesting different educational outcomes (Valiente et al., 2020; Bourdieu et al., 1977). The effectiveness of a degree gradually declines, and social capital becomes significant. By way of illustration, Mok and SpringerLink (2017) show that social capital involves a social network within a family and it is considered a facilitating condition for students to acquire decent jobs. For example, most UK graduates have abundant social capital, owing to their family members working and living in big cities. As a result, they have adequate social networks and it can be interpreted as reasons for the greater employability of returnees than domestic graduates.

Moreover, the accumulation of economic capital and cultural capital are taken by time. If the individuals have more time spent untouched by economic demands, there is more affluent cultural capital than their competitive counterparts (Marginson, 2019). For instance, international graduates may receive family support to cover the cost of living in big cities (Zhai & Gao, 2021). In comparison, students from domestic universities who come
from working-class families need to be self-sufficient and help increase the consumption power of their family. According to Kalfa and Taksa (2015), however, the cultural capital theory does not limit the possibility for the low SES students to acquire dominant cultural signals. Disadvantaged groups can also access cultural capital via schooling to promote social equity and inclusion. Similarly, James (2015) supports Kalfa and Taksa’s (2015) view that cultural capital is a pessimistic tendency, which cannot prevent change. More specifically, as working-class students enter universities, competitive opportunities seem to become equitable.

Conversely, the expansion of higher education is a good illustration that competition in society has become more aggressive, which can be proved by the fact that employers recruit not only base on degrees qualification but also on the soft skills of graduates (Blackmore & Rahimi, 2019). Therefore, for the privileged classes who have invested more on education to secure status for their children, such as studying abroad, private tutoring after class.

This section began by describing different kinds of education degree may lead to different skills. For example, Table 3 has indicated that a UK Master degree owner may have more soft skills, bringing more income to big cities. In comparison, a Chinese degree will bring more technology skills in keeping with the labour market in their homeland. Then, arguing that the family backgrounds of graduates have been found that students with UK degrees are more likely to be from middle-class, while local masters are primarily from working-class backgrounds. The next chapter describes the synthesis and evaluation of these two theories that found cultural capital is more following educational inequity issue in this essay.

4. Cultural Capital and Employment Disparities

In the next section, two arguments are constructed to prove that cultural capital is more appropriate for analyzing the graduates’ employability issue in this essay.

4.1 Cultural Capital and Students’ Non-Formal Learning

Cultural capital theory is better suited to interpreting different employment outcomes for the same degree despite cultural capital and human capital both having unique analytical power for analysing educational investments and choices. Moreover, cultural capital also focus on family additional education as well as non-formal learning. Next, these reasons will be elaborated through different perspectives.

Human capital theory focuses on the functional attributes of education, which helps stakeholders formulate policies that promote educational development. On the one hand, there is still great value in the utilitarian construction of higher schooling in human capital theory. Even the qualitative benefits such as soft capacity may represent the most critical contribution that education can deliver (Aziz, 2015). Each of these is difficult to monitor. These rewards resulted in difficulties for stakeholders to obtain data on educational outcomes and develop policies or practices for improvement (Woodhall, 1987). As Becker (1993) has proposed, the time factor cannot be measured, so it is not included in educational outcomes. As a result, the focus of human capital theory on education is beneficial to educational policy development.

On the other hand, ignores the impact of non-formal education on student employment. Becker (1976) argues that adequate investment ensures social mobility in education. Nevertheless, employment outcome differences arise because individuals invest differently in schooling. Extra time spent on education may contribute to students’ productivity, but it is ignored because it is difficult to measure (Weiss, 2015). More importantly, the tertiary certificate seems to have become common in mass higher education. Employers are no longer recruiting students based solely on the ‘signal’ that a certificate gives them (Xiong & Mok, 2020) and they are more interested in soft skills, such as critical thinking and social conventions. However, human capital theory is only concerned with educational behaviours related to financial reward (Marginson, 2019). Such utilitarian activities would not explain educational investments that accumulate through time before financial returns.

However, cultural capital theory can compensate for the lack of human capital attention to non-formal education. Cultural capital focuses not only on the contribution of formal schooling to students’ career paths, but also on family education and non-formal learning to help graduates produce ‘difference’ in same level qualification holders. Firstly, Bourdieu et al. (1977) demonstrate that university education is the primary source of knowledge. Nevertheless, the skills students acquire from interaction with their family members may also provide valuable employability in the companies. More specifically, they argue that the time given by different families to their children produces differences in educational outcomes (Bourdieu et al., 1977). A survey of UK returnees suggests that most of the international graduates came from superior socio-economic backgrounds, and parents who are professionals place an exceptionally high value on their children’s schooling and are more willing to spend time on their children’s study (Zhai & Gao, 2021). For example, these families emphasize the significance of reading, writing and discussing, allowing their students to subconsciously acquire the class-specific personality desired by employers expectation (Capsada-Munsech, 2020). These are the knowledge and skills that graduates cannot acquire from formal education.
Although cultural capital theory can analyse the importance of soft skills in heightening employability, the ill-defined nature of this theory has prevented relevant stakeholders from developing relevant policies (James, 2015). One possible reason is that practitioners and policymakers cannot effectively distinguish which factors are under their purview (Aziz, 2015). For example, cultural capital cannot draw strict boundaries as to whether improving knowledge and skills requires a shift in educational content in universities or a shift in the educational system. However, the research objective of this study is to examine the employability problems of British returnees and local postgraduates without being concerned with providing solutions. Table 4 compares an overview of cultural capital and human capital in non-formal learning. Therefore, cultural capital can provide good analytical power in explaining this inequality.

4.2 Cultural Capital and Students’ Social Background

The social background has a significant influence on graduate income. Students from wealthy families may have more opportunities to access financial, cultural and social capital and thus have greater employment competitiveness than their peers of more generalist social origin (Richardson, 1986). Moreover, Hansen (1996) studied income disparities between individuals graduate from the same universities and found out that graduates that are in the same field of study as their fathers had higher earnings than those that are not. However, this effect varies with the study area. According to Abdul (2015), it is shown that children are more likely to receive an intergenerational inheritance of their parents’ expertise, resulting in higher earnings in the medical field. Nevertheless, in social science disciplines, this similarity to parental professional expertise leading to higher wages is not yet evident. Similarly, Britton et al. (2016) investigated the impact of changes in social background, gender, institution and field of study for graduates who had been in the UK labour market for the last ten years. The results prove that workers from middle-class families earn at least 10% more than their working-class peers.

As cultural capital theory suggests, graduates’ social background is a root of social inequity and contributes to income differences.

Human capital theory, however, ignores the impact of social status on earnings differentials (Marginson, 2019; Capsada-Munsech, 2020). This theory argues that equal educational attainment should lead to average returns in the labour market (Weiss, 2015). According to this idea, graduates who achieve higher levels of schooling are a selected group and have more capabilities than those with less education. As discussed in this essay, local Chinese graduates undergo rigorous selection to obtain a postgraduate degree. Their competitiveness, however, is not as strong as overseas students in the job market in large cities partly because of their possible lack of family support for economic and social capital.

Although cultural capital theory can analyse some disadvantaged group from achieving upward mobility through education, it does have the passive ideology of ‘fatalism’ (James, 2015). Bourdieu (1986) has criticised the failures of human capital to explain competitive relationships and has placed family social origin at the centre of the explanation. Education and employment success of students is likely attributed to the social background. On the one hand, this can explain the different educational outcomes that result from graduates from different social backgrounds. On the other hand, there is a pessimistic tendency that children from the lower classes are more difficult to obtain educational and professional success.

As the research issue is the employment differences between British returnees and Chinese postgraduates in large cities, cultural capital theory is a better explanation for the different employment outcomes for different social backgrounds of students. Table 5 below illustrates these two theory comparisons in postgraduates’ social backgrounds. Most British returnees come from middle-class families in large cities in China, and most of their Chinese counterparts are from working-class families or second and third-tier cities. The disparity in social origins leads to different employment outcomes.

In summary, firstly, cultural capital is an excellent remedy to the human capital deficit. Because the human capital could not address and explain education within different families can help graduates in their future career development, especially to analyse students’ extra learning. Secondly, cultural capital suggests that students’ social backgrounds are critical to social inequality. Even though students have similar master’s degrees, it is difficult for graduates from disadvantaged backgrounds to change employment performance compared to the advantaged class. A summary of the whole article is provided in the next chapter.

5. Conclusion

This study set out to analyse the different employability of British returnees and local Chinese post-graduates, followed by a definition of cultural capital and human capital and a detailed explanation. The two theories are compared and contrasted, leading to the conclusion that cultural capital theory is be more appropriate to interpret the issue in this study. In general, it is suggested that cultural capital has more substantial explanatory power for analysing the informal learning and diverse social backgrounds of graduates, especially about distributive inequities issues. However, the scope of this study is limited.
Due to the large size of the graduate population involved in higher education in China, many factors affect post-graduates employability. For example, students are enrolled in a diversity of fields and disciplines, and the scope of China is extensive. Future research could be more in-depth and focus on a larger group of international students.

References


Imre Szeman (Editor), Timothy Kaposy (Editor), (2010). *Cultural theory: An anthology*, 1, 81-93.


KEDDIE, A. (2012). Schooling and social justice through the lenses of Nancy Fraser. *Critical studies in
education, 53, 263-279.


Zhai, K. & Gao, X. (2021). Who achieves superior rates of upward social mobility and better labor market outcomes in China: international student returnees or postgraduates who study domestically? Asia Pacific education review.


Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (http://creativecommons.org/licenses/by/4.0/).