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Relative Employability: Applying the Insights of Positional Competition and Conflict Theories Within the Current Higher Education Landscape

Ulpukka Isopahkala-Bouret and Gerbrand Tholen

INTRODUCTION

Graduate employability has been understood as having two dimensions: absolute and relative. These dimensions offer different interpretations of the relationship between higher education, the economy, and the graduate labour market. In line with the first dimension, employability is understood as something that can be developed through enhancing employability-related personal abilities and experiences. Participation in higher education is viewed as a personal investment, and the value of a degree equates to the acquired knowledge and skills. The absolute

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dimension thus places emphasis on the supply side of ‘employable’ high-skilled graduates. The second dimension, relative employability, starts from the assumption that employment opportunities are primarily determined by labour market demand rather than by individual skills and abilities (Brown et al., 2003, 2004; Siivonen & Isopahkala-Bouret, 2016). Moreover, relative employability entails that the value of higher education is attributable, in part, to the relative scarcity of graduate degrees in the population (Shavit & Park, 2016).

These two dimensions of employability differ in how they connect supply and demand in the labour market. Absolute employability measures how well individuals have succeeded to match their human capital profile to labour market demands, whereas relative employability ‘not only depend[s] on fulfilling the requirements of a specific job, but also on how one stands relative to others within a hierarchy of job seekers’ (Brown et al., 2003, p. 10). Therefore, relative employability entails positional competition and conflict between different social groups and individuals who strategise to create advantage over others in the labour market by using different kinds of resources, including graduate degrees (Brown et al., 2003; Tholen, 2017; Weber, 1978).

The absolute dimension has received a lot of attention in mainstream employability research (Hillage & Pollard, 1998; Van Der Heijde & Van Der Heijden, 2006), but the relative dimension is in need of further consideration. The purpose of this chapter is to expand the understanding of the relativity of graduate employability by applying the insights of a critical, sociological tradition. These critical theories enable us to understand the structural and social limits of graduate employability. Although various studies have outlined differences in how graduates from different higher education institutions with different types of degrees enter the graduate labour market (e.g., Isopahkala-Bouret et al., 2021; Tholen, 2014), very few have systematically outlined the interplay of labour market positioning, educational positioning, and graduates’ social positioning, as this chapter does (see: Fig. 3.1).

The first part of the chapter reviews how the concept of relative employability has developed within the literature in the last fifty years. It begins by defining ‘relativity’ through theories of screening/signalling and the labour market queue (Hirsch, 1977; Spence, 1973; Thurow, 1975). After that, the focus moves specifically to graduate employability and positional

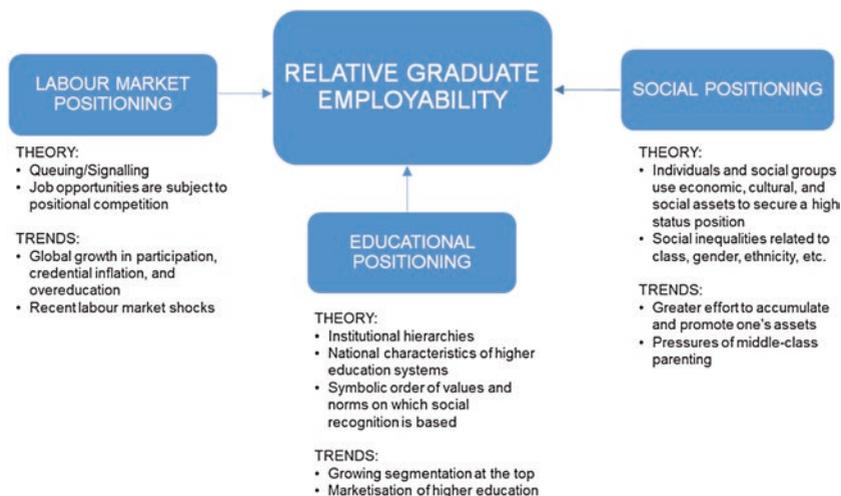


Fig. 3.1 Mapping of the concept of relative employability

conflict theory (Brown, 2000; Brown & Hesketh, 2004; Brown et al., 2003;). Then, this chapter brings into play the context of the increasingly hierarchical higher education landscape and how it affects graduates' relative employability.

After drawing together the existing theories, the second part of the chapter starts by presenting a conceptual mapping that synthesises the theoretical elements of relative employability (see: Fig. 3.1). The main idea of this concept is that employability cannot be understood without considering the actions of others and the social and cultural contexts, which structure the relative chances of graduates in the labour market. Then, by elaborating on the main elements of the concept mapping, the chapter assesses the importance of relative employability within the current economic and higher education landscapes. The emerging trends that are presented here highlight the need for a better understanding of the relativity of graduates' labour market prospects. Finally, the chapter closes with a discussion about the need for a new agenda for policy and further research on graduate employability.

PART I: EARLY THEORIES ON POSITIONALITY OF EDUCATION AND EMPLOYABILITY

The insight that labour market opportunities fundamentally depend on the actions of others can be traced back to the 1970s, mostly in economic writings. Signalling and screening theories from that period highlighted that employers use educational qualifications not as a proof of productive skills and knowledge but as signals of desirable qualities or productivity and as a way to compare and screen applicants (Spence, 1973; Stiglitz, 1975). Here, education has a positional role to play in the allocation of jobs and workers. Moreover, according to Thurow's (1975) job competition theory or queuing model, an individual's position in the labour queue is determined by how his or her educational credentials compare to those of others. Thus, employment opportunities depend not only on the qualifications that one has but also on the levels and types of degrees that other graduates possess. Qualifications matter less in themselves than in how those credentials stack up in the total queue of job seekers (Thurow, 1975; see also: Bills, 2016). Moreover, the same kind of qualification may occupy a different position in the labour queue at different times or in different countries.

In the seminal book *Social Limits to Growth*, economist Fred Hirsch (1977) coined the concept of the 'positional good' to describe the nature of economic growth in advanced societies, highlighting the social limits to consumption. Arguing against the dominant economic idea that increases in productivity will solve distributional issues, Hirsch points out increasingly that goods, services, and work positions were scarce in a socially imposed sense or subject to congestion. The satisfaction obtained from them derives in part from scarcity and social exclusiveness.

Education is a key example of a positional good. The value of education as a positional good is based on the relative standings of different individuals in the ranks of educational hierarchies. There cannot be educational and economic advancement by all. 'What each of us can achieve, all cannot' (p. 5). Hirsch (1977) writes:

There is an absolute dimension, in which quality is added by receptive students, good teachers, good facilities, and so on; but there is also a relative dimension, in which quality consists of the differential over the educational level attained by others. (p. 6)

Hirsch warns that an expansion of educational levels in the population may lead to a race in educational credentials as everyone wants to increase their relative performance. However, there are socio-economic conditions that limit who will be able to compete (see also: Boudon, 1973, for the role of mass participation in higher education [HE] for social mobility).

One man's higher qualification devalues the information content of another's. Once again, it is a case of everyone in the crowd standing on tiptoe and no one getting a better view. Yet at the start of the process some individuals gain a better view by standing on tiptoe, and others are forced to follow if they are to keep their position. If all do follow, whether in the sightseeing crowd or among the job-seeking students, everyone expends more resources and ends up with the same position. (Hirsch, 1977, p. 42)

When education expands faster than the number of jobs requiring educational credentials, employers intensify the screening process irrespective of the educational demands of the job positions they recruit for. This means that the value of a degree depreciates as it becomes more common in the labour market if the demand for skilled workers does not increase as fast. To create an advantage over others in the labour market, prospective workers in later cohorts must distinguish themselves with more education: each successive cohort of workers needs to attain more education to secure their place in the labour market queue (Freeman, 1976; Hirsch, 1977; Thurow, 1975). Thus, the job competition model recognises that degrees may only be used to keep up with the competition between job seekers, not to get ahead of it.

POSITIONAL CONFLICT IN THE GRADUATE LABOUR MARKET

Mass higher education has fundamentally changed the graduate labour markets in Western countries and globally. Under the rhetoric of the knowledge-based economy, all are encouraged to invest in their human capital through participation in higher education. Over time, a sociological literature emerged that explicitly looked at how growing participation affected the competition for graduate jobs. Building on earlier insights into the changing conditions for graduates and the role of the middle classes in the competition for graduate jobs (Brown & Scase, 1994), sociologist Phillip Brown (and colleagues) developed positional conflict theory (Brown, 2000, 2003; Brown et al., 2003; Brown & Hesketh, 2004),

in which graduate employability is socially structured and increasingly relative as similarly educated individuals are competing for a limited number of high-skilled jobs. Positional competition theory builds on a large sociological literature on social inequalities and the reproduction of dis/advantage within higher education and the graduate labour market.

Brown et al. (2003) distinguished between the ‘rigging’ and ‘ranking’ strategies of social groups seeking to secure a competitive advantage in the graduate labour market. ‘Rigging’ is the ability of professional status groups to influence markets and competition rules for their own advantage by using exclusionary tactics, often through the hiring process (Brown et al., 2003). Critical sociologists have emphasised the role of social closure within the allocation of work in which groups and individuals can use degrees for exclusionary purposes to exclude others from job competition (Collins, 1979; Dore, 1976; Murphy, 1988; Parkin, 1979; Weber, 1978). Relative graduate employability can be elevated by regulating access to certain professions or occupations through specific qualification requirements. The increase in educational requirements for jobs is not the result of the increasing demand for skills. Instead, employers select candidates according to their cultural or professional preferences, as participation in HE increases in the general workforce. This perspective again highlights the relativity of employability and the importance of other competitors in the labour market. (For a contemporary discussion on social closure, see: Tholen, 2017; Weeden, 2002.)

‘Ranking’ refers to the ability of individuals to mobilise social, cultural, and economic assets to secure a labour market advantage within the existing competitive framework of the labour market. Those from privileged social groups invest in social, economic, and cultural assets valued by graduate employers (Brown & Hesketh, 2003). Middle-class graduates are attuned to the ways of being and doing of the professional classes to which they aspire. Subsequently, their cultural and social background and their claims of suitability are recognised and appreciated by middle-class recruiters who predominantly recruit in their own image.

Critical, sociological literature supports the idea that in order to understand the employment opportunities for graduates, we need to understand the wider societal and economic structures including the larger capitalist social order. Disparities regarding class, gender, and ethnicity continue to shape access to, participation in, and outcomes of higher education. Here, Pierre Bourdieu’s (1984, 1990, 2005) theory on forms of capital is significant for the study of relative graduate employability. The concept of

capitals, which means properties and possessions operating as resources, is used to understand who wins and losses in the competition for jobs. Moreover, the use of *habitus* (Bourdieu & Passeron, 1977), the unconscious dispositions formed through regular social encounters and experiences, has been used in research to make sense of social inequalities in higher education. Finally, according to the Bourdieusian approach, the labour market has often been defined as a *field*, a system of relations between actors with different amounts and types of capital.

Bourdieu's work forms a framework for understanding how individuals use their social (class) position and apply strategies of accumulation and conversion of economic, cultural, symbolic, and social capital within the field of higher education (e.g. Bathmaker et al., 2013; Reay et al., 2001). The accumulation and mobilisation of different capitals can explain the relative standing of individuals and social groups within job competition (e.g. Brown et al., 2003, 2016; Tholen, 2017; Tomlinson, 2017). In other words, relative graduate employability cannot be understood without reference to the characteristics and dispositions of other competitors, the rules of competition (capitals and field), and the unequal social relations within the economic context of advanced capitalism.

A second related body of literature deals with how students understand their own employability and how they act upon their understanding (Little & Archer, 2010; Pinto & Ramalheira, 2017; Siivonen & Isopahkala-Bouret, 2016; Tholen, 2012; Tomlinson, 2008). It tends to position the graduate labour market as a zero-sum competition, in which participants actively aim to create advantage within the competition for jobs. Brown and Hesketh (2004) identify two approaches taken by graduates to manage their employability: purists among students expect the job market to be meritocratic, aiming to preserve their authenticity to themselves and the integrity of their identity. Players understand employability through a market spectrum and adopt and shape themselves according to the expectations of the employers in order to win.

Although students' approaches to employability are far from uniform, many studies find, in particular in the UK context, that students and graduates are aware that the degree itself will no longer distinguish them from other job seekers (Tomlinson, 2008, 2010). They realise that the labour market advantage has declined as growing numbers of young people participate in higher education. In some cases, students' strategies are set around educational achievements, but increasingly students use a wide range of resources to distinguish themselves from competitors. As the

stakes for students to find graduate-level jobs remain high, instrumental approaches to employability that focus on relative positioning are likely to be widespread, depending on the national economic and educational contexts (Tholen, 2013).

Brown et al. (2003) argued that ranking and rigging are not mutually exclusive. They come together in the idea of ‘personal capital’, in which individuals combine ‘soft’ as well as ‘hard’ currencies, such as cultural attributes and educational credentials, packaged in an employability narrative. Achievements outside of formal education, such as extracurricular activities and internships, help graduates to distinguish themselves (Bathmaker et al., 2013; Tomlinson, 2008). As Tomlinson (2017) has highlighted, self-presentation and promotion of one’s valuable assets through the overall ‘personality package’ becomes a skill in its own right. Thus, relative employability depends on how university graduates are able to translate cultural capital—the high-status attitudes, preferences, and behaviours—into personal capital during the job-seeking and recruitment process (Brown et al., 2003). Social class inequalities, in particular, have been found to be crucial in the mobilisation of ‘personal capital’ (Bathmaker et al., 2013).

HIGHER EDUCATION SYSTEMS: RANKING AND STRATIFICATION

Often, higher education outputs (i.e. number of graduates) are seen as a dominant contextual factor in how education shapes relative employability. However, the influence of the educational context goes beyond the overall level of participation in HE. Relative employability involves ranking the individuals in the graduate labour market not only at the individual level but also at the institutional level, based on social and cultural capital (Brown et al., 2003). In high-participation HE systems (Cantwell et al., 2018), the value of degrees is divided between credentials offering exceptionally high positional value (cf. degrees from the elite universities) and those offering little value.

Prior research has examined especially the role of elite higher education institutions on employment opportunities (Binder et al., 2016; Rivera, 2011; Tholen et al., 2013; Wakeling & Savage, 2015; van Zanten et al., 2015). Graduates from elite universities have more favourable chances of joining an exclusive graduate labour market because of their ability to

control access to the highest occupational positions based on credentialist social closure (Brown et al., 2011; Tholen, 2017). Elite employers target their recruitment efforts and select candidates exclusively from elite universities (Rivera, 2011). Elite universities and elite employers attach higher status to credentials and graduates of particular institutions and convince others of their own (relative) worth.

The symbolic ranking between institutions and graduates alike is socially constructed. Here, the theorisation of symbolic order and categorisation can help us to understand the relationship between relative employability and stratification (Tholen, 2017). This relates to the question of how university degrees operate as symbols of prestige and power. Prestige is defined, according to a Weberian (1978) theorisation, as a social honour, restricted only to distinguished status groups, such as a group of graduates from an elite university (cf. the mechanisms of social closure). Moreover, graduates from an elite university are associated with favourable personal and moral qualities, the display of ‘cultural capital’, and the standing of the upper-middle class (Binder et al., 2016; Bourdieu, 1984).

The influence of institutional hierarchies on relative employability is formed strongly according to national characteristics of the HE system (e.g. Isopahkala-Bouret et al., 2021; Tholen, 2014; van de Werfhorst, 2011). There is a variation between countries, and over time within national HE systems, in how the degree structure, disciplinary hierarchies, and divisions between the different sectors of higher education jointly influence graduates’ positional competition and entry into the labour market. In countries with well-developed vocational higher education systems, and where educational degrees match the occupational fields, there are specific pathways from education into the labour market and occupational communities.

As an example, Isopahkala-Bouret and her colleagues (2021) investigated how graduates’ relative prospects for entering high-paid, high-status jobs are affected by the division between Finnish universities and universities of applied sciences in different fields of education. Graduates holding university master’s degrees had the highest probability of succeeding in the Finnish labour market, and their status/rank elevated them above the competition by regulating access to certain occupations through specific qualification requirements (see also: Isopahkala-Bouret, 2018). Furthermore, in countries with a strong emphasis on occupationally specific education and occupationally tracked degrees, such as Germany,

Switzerland, and the Netherlands, horizontally mismatched surplus education may even be penalised by employers (Di Stasio, 2017).

Similarly, Tholen (2012, 2013) found that Dutch and British students' understanding of the competition is shaped by how their educational system is structured. For Dutch students, there was a clear understanding that the vocationally oriented higher education system and the graduate labour market are horizontally segmented in function and level. Employability is geared towards the types of jobs that match the individual skillsets. In the British context, in which HE is distinctly vertically stratified, students understand themselves to be positioned in a more generic competition for graduate jobs. Their employability strategies are geared towards signalling relative worth through exclusive credentials and other forms of distinction (see also: Tomlinson, 2008).

PART II: THE GROWING RELEVANCE OF RELATIVE EMPLOYABILITY

In order to assess current trends in relative employability, a synthesis of its key elements has been conducted to allow greater clarity and visibility of the concept. Specifically, the resulting conceptual mapping (see: Fig. 3.1) draws attention to three types of positioning that set up relative employability: labour market positioning, educational positioning, and graduates' social positioning. The model lays out the sociological theory and points to some key trends in these three important aspects. In what follows, the chapter will expand the understanding of what makes relative employability of key importance in the current economic and higher education landscape.

Labour Market Positioning: Continuous Growth in the Supply of Qualified Graduates and Recent Labour Market Shocks

Although there are national contexts in which it is restrained by governments, continuous growth in participation in higher education can be observed globally (Cantwell et al., 2018; Marginson, 2016). Yet, the availability of traditional graduate jobs such as high-status managerial and expert positions does not automatically increase with the expansion of education. There is significant evidence that an excess supply of highly educated people has been leading to over-education, education-job

mismatch (e.g., Figueiredo et al., 2017; Di Stasio, 2017; Di Stasio et al., 2016), and credential inflation (Van de Werfhorst, 2009). A growing number of graduates find employment opportunities in the so-called new graduate occupations, that is jobs in which a degree has only recently become the norm for hired workers. Eventually, the graduates with the least valuable credentials need to find a job outside of the graduate labour market. Global competition from highly educated, low-cost workers in countries such as India and China has further increased the pressure on graduates in advanced Western economies (Brown et al., 2011).

Relative employability may mean that the labour market positions form a pyramid-type structure, with the best (i.e. highest paid, highest status, and most rewarding) positions being the scarcest and subject to positional competition (Hirsch, 1977, pp. 41–51; Isopahkala-Bouret et al., 2021). During the twenty-first century, the financial payoff from the most well-paid positions has risen sharply, whereas other types of graduate roles have seen modest growth in earnings (Green & Zhu, 2010; Holmes & Mayhew, 2015). In particular, graduates who work in the ‘new’ graduate occupations appear to earn significantly less than those who are employed in traditional graduate jobs (Figueiredo et al. 2017). Moreover, there is a growing number of ‘gig’ workers and other self-employed graduates with uncertain employment benefits and employment security (Burrell & Fourcade, 2021; Ravenelle, 2019).

Furthermore, the recent labour market shocks have impacted graduates’ labour market opportunities. Within the last two decades, we have seen the global economic crisis in 2008, the COVID-19 pandemic in 2020–2022, and, more recently, the influence of geopolitical armed conflict hurting (sections of the) graduate labour markets. For example, Euton and Heckscher (2021) summarised the broad effects of the COVID-19 pandemic on the labour market and employment relations. The crisis has had consequences, especially on the working opportunities of the flexible workforce—short-term, part-time, and self-employed workers—thus affecting the job opportunities of working students and recent graduates. Moreover, an increase in remote working has destabilised especially the work–home balance of female employees with children.

We may expect a growing proportion of graduates whose work trajectories may include periods of unemployment or over-education. Research shows that the so-called labour market scarring affects the graduate labour market significantly. Entry into the labour market gets more complicated and prolonged during an economic downturn, and the quality and wages

of early-career job contracts are impacted as well. Moreover, research also shows that those affected will have to convincingly signal to employers their value to avoid biased assessment, exclusion, and discrimination (Pedulla, 2020). In other words, their labour market opportunities will depend on how they can symbolically position themselves in comparison to graduates with more stable work trajectories.

Educational Positioning: Growing Segmentation of Higher Education at the Top

Within high participation HE systems, stratification has a tendency to increase over time. There is a global trend in HE systems to enhance competitiveness and performance-based funding and to concentrate resources on a few ‘world-class’ universities and nationally leading institutions. As Marginson (2016) has argued, there is a cumulative advantage in status and resources, and therefore strong institutions improve their relative position over time.

The increased stratification and concentration of resources to the ‘top’ institutions translates to social and economic inequalities in the graduate labour market. A distinguished education degree from a high prestige university still provides a direct advantage in the labour market, irrespective of skills (Posselt & Grodsky, 2017). Donnelly and Gamsu (2019) found that although elite employers recruit from a wider range of universities than the authors expected, the highest-paid graduates are still from the elite institutions.

Moreover, the increasing marketisation of higher education is accelerating institutional status hierarchies. Marketisation, the greater reliance on the use of markets in the management and functioning of higher education, changes how HE participants think about their education. When HE institutions act as market providers, students primarily become consumers or are positioned as such by both the state and the sector itself, and they are expected to choose between the educational options on offer based on perceived value for them (including price, quality, and availability). In the countries where (part of) the cost of higher education is transferred to students, it is more likely that students experience HE as a consumption good (or investment product), and the labour market outcomes are directly a result of this investment (Tholen, 2022; Tomlinson, 2017; Wilkins et al., 2013).

The marketisation of higher education is accompanied by stronger moves to demand public information about the performance of different higher education institutions (HEIs) (Tomlinson & Watermeyer, 2022). National league tables have become significant instruments in measuring the value and status of an institution. They are used as a market strategy to signal institutions' value against competing HEIs (ibid.). In particular, the selectivity of institutions is an important indicator and 'signal' that informs students' choice and employers' recruitment decisions.

At present, global university rankings contribute to the ongoing convergence of higher education institutions and, as a consequence, enforce stratification of higher education systems and social inequalities between students and graduates alike (Pusser & Marginson, 2013). As university rankings reveal differences between the university systems, they also indirectly rank countries and regions and, thus, take part in the geopolitics of higher education (Hazelkorn, 2016). Over time, global university rankings widen the gap between high- and low-value higher education institutions and degrees (Marginson, 2016). Such a trend contributes to a growing segmentation of HEIs at the top.

Social Positioning: Greater Effort Is Afforded by Those Wanting to Distinguish Themselves

The literature has pointed out the continuous efforts of those from elite backgrounds to enter the high-status positions within the graduate labour market (Ellersgaard et al., 2019; Lucas, 2001). The stakes have never felt higher, and more needs to be done to reach the relative top position in the educational competition and the labour market queue. In *The Meritocracy Trap*, Daniel Markovits (2019) stresses the pressure elite parents in the United States are under to prepare their children for success through admission to a top preschool, a private secondary school, and elite HEIs. Parenting practices and the education system are still set up to reproduce elites' status, yet it takes more effort to monopolise elite education for each successive generation. In her study, Zhang (2020) approached 'shadow education', the private supplementary education and tutoring, in terms of externalised parenthood. In China, where she conducted her study, as well as in many other East Asian countries, shadow education has expanded as a means for middle-class families to ensure their children's access to good schooling, high achievement, and the accomplishment of high-status credentials that open doors to the elite sector in the labour market.

The same pressures apply to individual graduates, who need to ‘package’ and promote their valuable assets to potential employers. The amount of ‘personal capital’ influences graduates’ relative standing in the competition for jobs. Furthermore, the demonstration of ‘personal capital’ needs to meet the expectations of employers in a specific occupational field. For example, UK employers have conceptualised employable graduates in their talent management approach as ‘the edge’ that needs to be ‘sharpened’ to fully realise the potential that graduates offer (McCrackena et al., 2016). Accordingly, graduates who are able to showcase their talent will have an advantage in recruitment situations. They need to ‘stand out from the crowd’, for example by displaying the relevance of their internship experiences. Employers frame and decode signals of unique personal ‘brand assets’ and qualities they associate with graduates’ standout employability (Anderson & Tomlinson, 2021).

DISCUSSION: OUTLINING A NEW POLICY AND RESEARCH AGENDA

This chapter has presented a review and conceptual mapping of the relative dimension of graduate employability. Relative employability refers to how one stands in relation to other job seekers along some status hierarchy (Brown et al., 2003). Securing a high standing in the competition for jobs involves simultaneously (a) labour market positioning, (b) educational positioning, and (c) social positioning (see: Fig. 3.1). The task of clarifying the concept of relative employability is timely and important given the current labour market crises and increasing stratification of higher education institutions. The concept of relative employability reminds us that employability is fundamentally not an individual but also a social and relational phenomenon. It emphasises the structural boundaries of graduates’ employability prospects.

Despite the growth in understanding of the relative dimension of employability within the academic literature, key ideas put forward by the authors covered above have still not been fully accepted and acted upon within the policy domain in most countries. Too often, HE is considered solely to be a developer of skills that offers individuals from all backgrounds the opportunity to invest in their own human capital. Higher institutions are thought to instil into their students advanced knowledge and skills that are demanded by employers, which will thus lead to

employment opportunities. Improving the employability of young people lies in encouraging HE participation in combination with offering school leavers detailed and accurate information about labour market outcomes for each HE course.

Furthermore, currently, the key issues when it comes to the variability in graduate employability are seen as directly related to the quality of the teaching and how well graduates' skills and attributes match the labour market demand. This has strengthened the fundamental belief within HE institutions to improve the employability of graduates, despite evidence showing that HE may not be able to develop all work skills very well (Tholen, 2019). Likewise, as the dominant policy discourse emphasises the absolute dimension of employability, it offers few limits to employability as long as HE is accessible and can keep up with the changing skill demands thought to be driven by rapid technological change (Brown et al., 2011). Social differences related to family background, gender, age, and ability, for instance, and unequal opportunities to secure high-status positions in the labour market are ignored in the current, individualistic policy.

We argue not only that the relative dimension of employability remains relevant but also that it is *increasing* in importance. For this, we need to look beyond the supply side, that is the number and share of graduates, and the skills, knowledge, and educational credentials they bring into the labour force and labour markets. The demand side (i.e. what employers and workplaces demand) matters as much for relative employability as it does for its absolute dimension. Labour market demand shapes how graduates are positioned within the labour market queue but also shapes how labour market participants understand the positional competition and how they can utilise their social and symbolic resources to their advantage in the positional competition.

While we state that for the policymakers, HE leaders, and employers, there is a need to take the relative dimension of employability seriously, we do not deny that absolute employability matters. Therefore, we outline here the potential for a more sophisticated policy formulation of employability that links the absolute and relative dimensions, that is, assessing the context-specificity of credentials and their value in different occupational fields and country contexts. The new policy agenda should move the focus away from individual knowledge, attributes, and achievements as the main indicators of graduate employability. Instead, moving towards making the agency/structure connection clearer in this area opens up new avenues for

policy and practice to even out graduates' positional competition. Furthermore, a better understanding of the links between different national regimes of capitalism and how these shape graduates' job competition and pathways from higher education to labour market is essential for the development and deployment of policy.

The new policy agenda needs to address the significant role that educational positioning—the competition and ranking between universities in both national and global arenas—plays in graduates' relative employability. As Marginson (2016) has stated, the common public good is maximised when the level of educational equality is high and the value differentials between institutions and fields of study are moderate. This relates to the question of how state funding is distributed among HEIs, the competitiveness of funding, and how far the marketisation of national HE systems evolves (Tholen, 2022).

Moreover, educational systems have a role in mediating graduates' positional competition in the labour market. Therefore, it is important for policymakers and institutional leaders to understand critically how HE systems and institutions may equalise, to some degree, the impact of social origins, gender, and so forth on graduates' labour market positioning. For example, targeted career counselling and fairly distributed and paid internships during studies could facilitate the labour market entry of graduates with less inherited economic, cultural, and social capital. This is recommended despite higher education having limited autonomy to change the wider social structures' influence on the labour market (including the social bias of employers). Employers and human resources management (HRM) practitioners may improve their recruitment process by understanding how positional competition can exacerbate inequality in opportunities for graduates. Certain groups of graduates are better positioned to develop their personal capital. Greater reflection on how scarce credential and experience relate to privilege may allow a more egalitarian assessment of candidates.

Within our understanding of relative employability, there are plenty of areas in need of further investigation. Currently, there is a lack of understanding of how positional competition is played out within different national contexts, specifically those in non-Western contexts. To understand relative employability, there is a need to understand individuals' rationales for choosing educational programmes, developing skills, and engaging with various activities to improve their chances in the labour market. Equally important is to assess the graduate labour market—not

merely as a coordination mechanism between demand and supply of labour but as a social arena in which the acts of individuals and organisations are shaped and supported by larger societal structures, including the higher education system itself. Applying critical, sociological theories can elucidate how individual graduates are positioned towards others in particular fields, educational systems, and societies.

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