Social Capital and Chinese Higher Education Graduates' Employments: An Empirical Study in Shanxi Province

Guotong Liu[1](✉) and Zilong Guo[2]

[1] Department of Social Work, The Chinese University of Hong Kong, Hong Kong, China
gtliu@link.cuhk.edu.hk
[2] The Centre for Macau Studies, The University of Macau, Macau, China

Abstract. With the continuous expansion of the enrolment scale of Chinese colleges and universities, higher education graduates are facing great employment challenges. China has always been a "society of human relationship", and the role of social capital in employment cannot be ignored. In order to explore the effects of social capital on the employment of Chinese higher education graduates, this study first reviews the theory of social capital and its application in employment. It investigates the social capital of 123 higher education graduates in Shanxi Province, China, and the method of "position generator" is used to measure graduates' social capital. Through multiple linear review and binary logistic regression to analyse the data, the study draws the following two conclusions: (1) the occupational prestige of higher education graduates' parents and the occupation range of their families' friends will have a significant impact on the graduates' personal occupational prestige. (2) when the parents of higher education graduates have higher occupation prestige, graduates are more likely to use their social capital to find occupation information. Finally, this research provides some insights for future studies.

Keywords: Social capital · Higher education graduates · Employment · Position Generator

1 Introduction

For a long time, the employment of higher education graduates has been widely concerned by Chinese society. Since 1999, due to the continuous expansion of the enrolment scale of Chinese colleges and universities, the number of higher education graduates has been rising every year. The number of graduates in 2022 was about 10.76 million, an increase of 1.78 million over last year [1]. In the context of current problems, higher education graduates are facing a great employment challenge.

China has always been regarded as a society of "human relationship". Social capital, which is composed of social networks and interpersonal relationships such as trust and norms, plays a key role in the Chinese society and personal development. Although personal professional skills, education level and other human capital will have an impact

on employment, social capital can help graduates access more job information, and even directly provide employment opportunities for graduates. Therefore, the role of social capital in the process of employment cannot be ignored. This paper will focus on the impact of social capital on the occupational prestige of higher education graduates and the way of obtaining job information.

1.1 The Study of Social Capital

The concept of social capital gradually formed and developed in the 1970s, and has been widely used in sociology, politics and economics. It is a concept corresponding to material capital and human capital, but there is still no unified definition in academia. Social capital was first proposed by French scholar Bourdieu. He believes that social capital is a combination of potential resources, which are obtained through the possession of "institutionalized relationship network" [2]. Scholars have different definitions of social capital according to their research fields, which can be roughly divided into macro field and micro field. In the macro field, social capital refers to the characteristics of a country or a community. According to Putnam, in a country or region, social capital includes norms, trust, network and citizen participation, which can improve the efficiency of the society by coordination actions [3]. In the micro field, social capital is mainly in the structure of relations among actors, which is the ability of an individual to allocate resources through the relationship network he/she embeds [4]. According to Coleman, the forms of social capital include observations, expectations, trustworthiness, information channels, norms and effective sanctions [4]. Lin believes that the social capital can be defined as resources embedded in the social structure that are accessed and/or mobilized in purposive actions [5].

This paper mainly focuses on micro social capital. Based on the views of the above scholars, the micro social capital can be defined as a social relationship network owned by actors, as well as the trust, norms and emotions embedded therein, which is mobilized in intentional actions.

1.2 Social Capital and Employment

The fields of career choice and employment are the earliest fields in which social capital is used. Granovetter analyzed the impact of social networks on job seekers and proved that weak ties which are composed of friends are more important to job seekers than strong ties which are composed of relatives [6]. Lin found that strength of positions (father's occupation) and strength of ties (the tie being relations, friends and acquaintance) will affect one's access to high-prestige occupations [7]. Since then, massive studies have shown that even in western countries with relatively perfect labor market system construction, people will still rely on social capital and social network relationships in the process of job hunting [8]. According to the researches, the role of social capital in job hunting can be summarized as (1) expanding information channels, increasing employment opportunities, and overcoming the obstacles of information flow in the labor market [8]; (2) saving the cost of job search.; (3) reducing the risk of unemployment and provide reliable economic support [9]. At the same time, some employees can use social

capital to obtain a position directly or more easily, so as to reduce competition with other employees.

1.3 The Measurements of Graduates' Social Capital

As an abstract theoretical construction, social capital cannot be measured directly. Since scholars have different research focus and understanding of social capital, there are many measurement methods. Among the methods to measure the individual social capital, the two classic methods are "name generator" and "position generator" [10]. "Name generator" is the most traditional measurement method. Respondents need to list the names of their social network members one by one and point out their relationship with them [10]. However, in this method, respondents often only list the members who are more closely related to them, and the weak relationship will be ignored [10]. At the same time, in order to avoid the privacy problems caused by this method, Lin Nan designed the "position generator" method [10]. In this method, a sample of ordered structural positions in a society (occupational prestige scale) is needed. Then, the respondents are asked to indicate their contacts, if any, in these positions, as well as the relationship between them. Through the position generator, the personal range of accessibility to different hierarchical positions can be measured, so as to reflect the embedding of the individual in the social network. Besides, the social ties between respondents and their contacts for each position can be identified [11]. "Position generator" also has some defects, for example, it cannot well reflect the specific composition and density of social networks [10].

   Many Chinese scholars have also studied and measured the social capital of higher education graduates. Zheng measured families as the social capital of graduates in the study, which mainly focused on on the parents' years of education, occupation prestige and income level [9]. Cheng and Tan took the social status of parents, the social status of relatives, the size of the network and the university employment service centre as indicators to measure the social capital of graduates [12]. Generally, the social capital of graduates mainly comes from schools and families, which are the cores of Chinese society, can provide powerful help to their members. Therefore, more scholars reflect the social capital of graduates by measuring the social capital of families.

2 Methodology and Data

Through reviewing the research on social capital by Chinese and foreign scholars, this paper will measure the social capital of graduates by measuring the social capital shared by their family. The following is the method of measuring social capital and data collection.

2.1 Position Generator

This paper mainly uses the position generator proposed by Lin Nan to measure the social capital of graduates in China. The main data collection method is questionnaire survey. Lin measured social ties into three different types (relatives, friends and acquaintances)

[7], but the concepts of acquaintances and friends are vague in the Chinese context, this paper only measures relatives and friends in order to facilitate the participants. Among them, friends refer to friends jointly owned by core family members. The selected occupational prestige scale is Li's (2005) scale, which calculates the social prestige scores of 81 occupations in China and is roughly divided into 7 classes [13].

In the questionnaire, the respondents are first asked about their own occupational prestige and the occupational prestige of their parents, and then asked to choose whether there are relatives or common friends of their core family members in each occupational prestige class. Finally, the number of occupations that their relatives and friends are accessed to are calculated as indicators to measure the social capital of graduates. The indicators also contain their parents' occupational prestige.

2.2 Data Collection

The participants in this study are the higher education graduates in Shanxi Province who have worked for less than three years. A total of 150 questionnaires were distributed, and 123 valid questionnaires were recovered. The first dependent variable is graduates' occupational prestige class (GOPC), which is divided into a total of 7 classes and coded as 1 to 7 according to Li's scale. 1 represents class 1 in the occupational prestige scale, which means the highest occupational prestige. The second dependent variable is whether the graduates use their social capital to find job information (InforFIND). InforFIND is a dummy variable, and 0 means to obtain job information through parents, relatives or friends, and 1 means to obtain job information through themselves in the community. Independent variables are used to measure the social capital of graduates, including parents' occupational prestige class (POPC), occupation range of friends (ORF) and occupation range of relatives (ORR).

The first research question of this study is "which indicators of social capital will affect graduates' occupational prestige", and the paper uses the multiple linear regression to analysis. The second research question is "which indicators of social capital will affect the way of graduates obtain job information", and binary logistic regression is used for analysis.

3 Results

3.1 Social Capital and Graduates' Occupational Prestige

The first is the correlation analysis of social capital and graduates' occupational prestige, taking GOPC as the dependent variable and POPC, ORF and ORR as the independent variables to build a multiple linear regression model (see Table 1).

It can be seen from Table 1 that parents' occupational prestige class has a significant positive effect on graduates' occupational prestige class, which proves that when parents' occupational prestige is higher, graduates are easier to find jobs with higher professional prestige. At the same time, occupation range of friends has a significant negative effect on the graduate occupation prestige class, which proves that graduates are more likely to find jobs with higher occupational prestige when their core family members' friends can access more occupations. The influence of occupation range of relatives on graduates' occupational prestige is not significant.

Table 1. The correlation of higher education graduates' social capital and occupational prestige. [Self-drawn]

Independent Variables	Unstandardized Coefficients
POPC	.177 (.009**)
ORR	.050 (.576)
ORF	−.201 (.014*)
Constant (n = 123)	3.739 (.000**)

Notes: The significance levels are in the brackets, and ** indicates that the regression coefficient is significant at the significance level of 1%; * indicates that the regression coefficient is significant at the significance level of 5%

Table 2. The correlation of higher education graduates' social capital and ways of obtaining job information. [Self-drawn]

Dependent Variables	Regression Coefficient
POPC	.340 (.014*)
ORR	.058 (.753)
ORF	−.279 (.092)
Constant (n = 123)	−.896

Notes: (1) The significance levels are in the brackets, and ** indicates that the regression coefficient is significant at the significance level of 1%; * indicates that the regression coefficient is significant at the significance level of 5%. (2) Hosmer and Lemeshow Test: Chi-square 15.037; Sig. 0.058

3.2 Social Capital and Ways of Obtaining Job Information

The second is the correlation analysis between social capital and the way of graduates obtaining job information. A binary logistic regression model was constructed with InforFIND as the dependent variable and POPC, ORR and ORF as the independent variables (see Table 2).

It can be seen from Table 2 that parents' occupational prestige class has a significant impact on the way of graduates obtaining job information. If the parents of graduates have higher occupation prestige, graduates will be more likely to use their families' social capital to obtain job information. Occupation accessed by relatives and friends has no significant effect on graduates' acquisition of occupation information.

4 Discussion

From the above two analysis results, it can be concluded that social capital will have an impact on higher education graduates' occupation prestige and graduates' way of obtaining job information. Compared with western society, the tie between Chinese parents and children is closer. It is very common in China for Chinese parents to provide support and help for their children in employment. At the same time, under the influence of traditional culture, Chinese society is "relational" more than "rational", and has also established ties other than kinship through the norms of "mutual benefit" [14]. In the first result, the influence of occupation range of relatives on graduates' occupational prestige is not significant, which can also prove Granovetter's view that weak social ties established by friends play a more significant role in job hunting than strong social ties established by relatives. In the weak ties network, members come from different groups, and the frequency of information exchange is less, so the degree of repetition of information is also low, and the information from different people has great heterogeneity [6].

Social capital has many impacts on graduates' employment. The main role is to reduce the obstacles of information dissemination in the labor market, so that graduates can spend less cost to obtain more information to increase their employment opportunities. In addition to directly affecting employment, social capital can also play a role in creating human capital. For example, the strength of the relationship between parents and children will affect children's academic achievements [4]. Therefore, social capital can help students obtain more educational resources to increase their human capital, thus indirectly affecting employment. On the other hand, social capital is beneficial to job seekers themselves, but the overuse of social capital in job hunting will also bring social inequality. Under the background serious "involution" in Chinese education and labor market. Graduates with less social capital are obviously in a weak position in the competition. The old Chinese proverb "impoverished families can nurture rich sons" seems to be difficult to realize in the context of modern society.

In order to reduce the social inequality at the employment field caused by the overuse of individual social capital, an effective measure is used to increase the information circulation of the labor market, so as to reduce the obstacles for graduates who lack social capital to obtain job information. Specifically, the government can strengthen the construction of social organizations of employment services in the community to provide assistance to the unemployed people at all stages. Encourage enterprises to cooperate with community employment service organizations to provide diverse positions for the community and increase the supply of higher quality jobs to serve higher education graduates. Meanwhile, colleges and universities should be encouraged to build career development centers and employment guidance services, establish more professional

employment service teams, and cultivate students' abilities to collect job information. Colleges and universities also need to have in-depth communication with local enterprises and social organizations to hold rich campus job fairs. Diversified social organizations will provide more public social capital for community members. As public social capital in a community increase, the significant impact of individual social capital will be weakened.

5 Conclusion

In general, this study investigated 123 higher education graduates in Shanxi Province, designed a questionnaire to measure social capital by using the method of "position generator", and studied the influence of social capital on higher education graduates' employment. The paper has two main conclusions. The first is the parents' occupational prestige and the occupation range of the core family members' friends can positively affect the higher education graduates' occupational prestige. The graduates can use their parents' social capital or friends' ties to find jobs with higher occupational prestige. The second is when the occupational prestige of parents is higher, higher education graduates are more likely to use their social capital to find job information, on the contrary, they are more likely to find job information by themselves.

The research conducts an empirical study on social capital in Shanxi Province, China. One of the innovations is the use of position generator, a method to measure personal social capital, which is rarely used in Chinese studies. At the same time, it also proved Granovetter's view that the weak ties built by friends is more helpful to job hunting than ties built by relatives in a region of China, which has enriched China's social capital theory to a certain extent. However, the research method of position generator has high requirements for participants, which brings difficulties to data collection, resulting in a small number of samples in this study. Future research should focus more on how to reduce social inequality caused by the overuse of individual social capital, how to increase the public social capital in communities and the impact of public social capital such as employment service organizations on graduates' employment.

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