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Economics Job Market Report 2013
UK and Ireland

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What is INOMICS? A foreword

Since 1998 **INOMICS** has been providing recruiters and academic institutions in the economics job market with an effective platform to find candidates for their open professional and student positions. In turn, INOMICS has been offering students and professionals the most exhaustive online resource for their future academic career choices.

In the 15 years that we have been online, we have succeeded in accumulating a unique audience of niche professionals in economics and finance, as well as a unique network of academic, research and private sector institutions interested in recruiting professionals and students in this field. Through feedback from our users and clients, we know how important it is to have enough information about the job market to take the right career decisions and build recruiting strategies. To gather even deeper insights into the market and to make this information available for INOMICS users, last year we launched our first annual Economics Job Market Survey.

As a truly international resource, with visitors using our platform from over a hundred countries, we recognize that there are significant differences between job markets in specific regional contexts. For this reason, this year we have split our general study into eight regional reports, in addition to the **[Worldwide Economics Job Market Report 2013](#)**.

We hope that the information presented in this study and in the other regional reports will support economists in making informed career and professional decisions, regardless of their country of residence, educational level or work experience and will provide recruiters with necessary insights into the current state of the job market. If you have any suggestions or comments about this study, please feel free to get in touch with the INOMICS team and we will be happy to assist you with any queries.

Kind regards,
Andreas Hoffmann,
CEO, INOMICS GmbH

I. Methodology

The Economics Job Market Survey 2013 was conducted through an online questionnaire between April and June 2013, which was placed on the INOMICS website, a global online platform for professionals in economics and finance with more than 100,000 visits a month from 120 countries worldwide. In addition, the questionnaire was circulated through social media channels and was emailed to academic professionals in selected academic institutions. The data collected was used to compile the Economics Job Market Report 2013 – United Kingdom (EJMR 2013 – UK & Ireland) as well as 7 other **Regional Reports**, and the **Worldwide Economics Job Market Report 2013**.

In total, 187 economists from the UK and Ireland took part in this survey. Two different sets of questions were designed to gain a perspective of the economics job market from

the point of view of both job market candidates and recruiters. Respondents who indicated that they were involved in the recruiting process of their organization were offered one set of questions about their latest open positions, their preferences as employers and about the application and selection processes. Economists who indicated that they were not involved in the recruiting process of their organizations were asked a different set of questions concerning their professional status, salaries, specialization and preferences in the work place. As a result, the Report is split into two parts:

- (I) Economists: [Economics Job Market Outlook](#)
- (II) Recruiters: [Economics Job Market Outlook](#)

To download other Regional Reports please visit [this](#) page.

II. Key Findings

Fields of Specialization:

Supply, Demand & Mobility

Supply & Demand: The most commonly mentioned fields of specialization among the economists (by JEL code) include Microeconomics, Macroeconomics & Monetary Economics and Financial Economics. Recruiters often look for the same specializations (Economic Development is also popular). This pattern suggests that supply and demand for specific fields of expertise are fairly balanced in the economics job market.

Mobility: One third of economists (29%) change their field of specialization when they enter employment after their studies.

International Mobility of Economists

The UK is very open for foreign students and professionals in the fields of Economics, Business and Finance. The proportion of international economists is 76%.

For information about other regions see [INOMICS Regional Reports](#).

Preferences of Economists in the Job Market

Above all else, economists in the UK and Ireland value a friendly working environment and the opportunity to have time to conduct their own research. Other important factors in deciding to accept a job include good work-life balance and the reputation of the institution. Geographical location is generally considered low in importance when choosing a job.

Preferences vary depending on age: older job candidates rate salary and a long-term contract much more highly in their priorities than younger people.

Top Employers among Economics Students

Most of the economics students who participated in the survey named universities (58%) as their preferred type of future employer. 11% and 8% of the respondents respectively prefer to work in research institutes/think tanks and private companies.

Value of Academic Degrees

The highest proportion of high earners among economists (i.e. those with an annual income higher than 95,000 US\$ a year) is among PhD holders. There is very little difference in the salaries earned between Bachelor's and Master's degree holders in the UK and Ireland.

Salaries

Average Salaries: As a rule, incomes of economists increase gradually as they develop in their professional career. Salary level is high in the UK and Ireland, compared to other countries, with half of all respondents stating their annual income to be between 35,000 and 75,000 US\$.

Salaries for Currently Open Positions: Salaries for open positions typically start at 35,000 US\$ per year. 44% of all positions offer more than 95,000 US\$ to the candidates.

Salary Growth: Wages increase gradually with experience gained: 40% of economists with at least 5 years of experience earn at least 75,000 US\$ per year. Moreover, 70% of respondents with more than 10 years of experience earn more than 95,000 US\$ per year.

Demand for Economists in the Job Market

Level of Open Positions: The majority of recent open job vacancies are for professionals at the mid-level and senior level, including Lecturers and Full Professors. Entry-level positions in the academic job market (like PhD student positions) account for a small proportion (6%), which can be partially explained by the time of the year when the Survey was conducted (April-June 2013). This is generally a low season for entry-level positions, which tend to be advertised more between October and January each year.

Education Requirements: Educational requirements for economists are very high: 95% of all open positions require a completed PhD from applicants.

Work Experience Requirements: Work experience requirements are often high, with 33% of all open positions requiring more than 5 years of experience. On the other hand, 32% of open positions accept applicants with less than 1 year of experience.

Preferences of Employers when Choosing a Candidate

Selection Criteria: The most important criteria when choosing candidates for open positions is a relevant degree, which suggests that an economics degree is an absolute prerequisite in the economics job market. Good recommendations are also of high importance. Distinct from the **worldwide trend**, quantitative skills are more valuable than communication skills.

Geographical Factors: For the majority of institutions the geographical location/country of origin of a candidate does not play any significant role in the selection process. 28% of recruiters would prefer international applicants, and the rest of the recruiters don't have a preference about the country of origin.

Selection Process

Number of Applicants: Competition for some open positions is extremely high and, depending on the type of position, can reach up to 600 applications per vacancy. The highest competition is for Assistant Professor positions (335 applications per position on average).

Interview Techniques: The majority of organizations use traditional techniques, for example online applications and face-to-face interviews (89% and 72% respectively). Almost half of recruiting institutions conduct interviews at the annual ASSA meetings (44%).

III. Economists: Economics Job Market Outlook

1. Economists: Profiles of Respondents

a. Demographics

This part of the questionnaire was completed by 158 respondents from Ireland and the United Kingdom.

In Figures 1 to 3 you can see a brief socio-demographic profile of the respondents.

Figure 1. Age Groups of Respondents

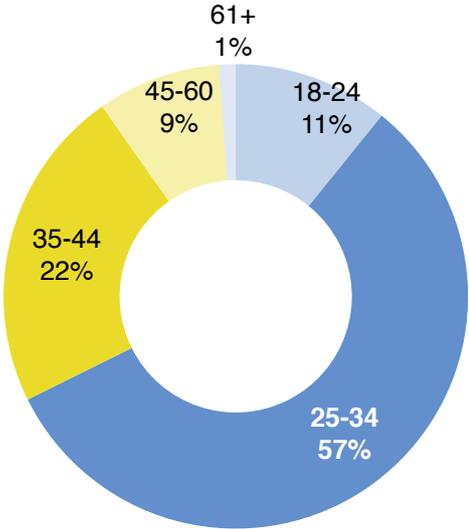


Figure 2. Gender of Respondents

Male	57%
Female	43%

Figure 3. Countries of Residence of Respondents

Ireland	10	6%
UK	148	94%

b. Professional Profile

Completed Academic Degrees & Work Experience

Respondents were asked about their highest completed academic degrees. The majority of survey participants (72%) hold at least a Master’s degree. 40% of them have also earned a PhD title.

Economists from all levels of seniority took part in the survey. Slightly more than half of the respondents represent young professionals with up to 3 years of experience.

Figure 4. Completed Academic Degrees of Respondents

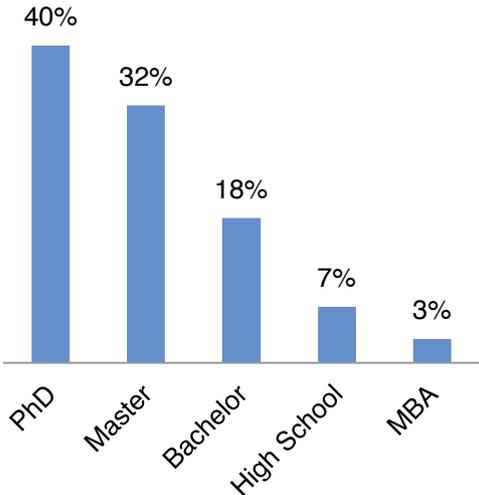
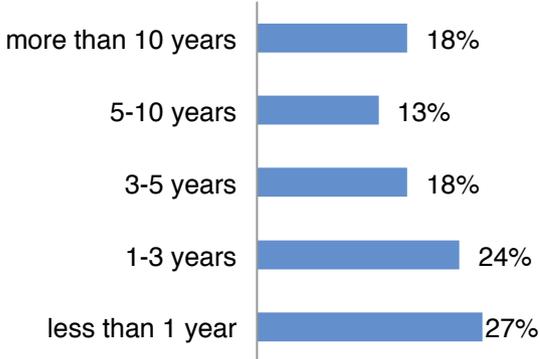


Figure 5. Work Experience of Respondents



Types of Employers & Positions

47% of the respondents indicated they are still studying, either to earn a PhD or a Master's/Bachelor's degree. Other positions of survey participants are indicated in Figure 6.

Employed respondents were asked about what

type of organizations they belong to, with the answers indicated below in Figure 7. The vast majority (80%) represent the academic job market and are employed at a university. Another 10% of respondents are employed at private firms.

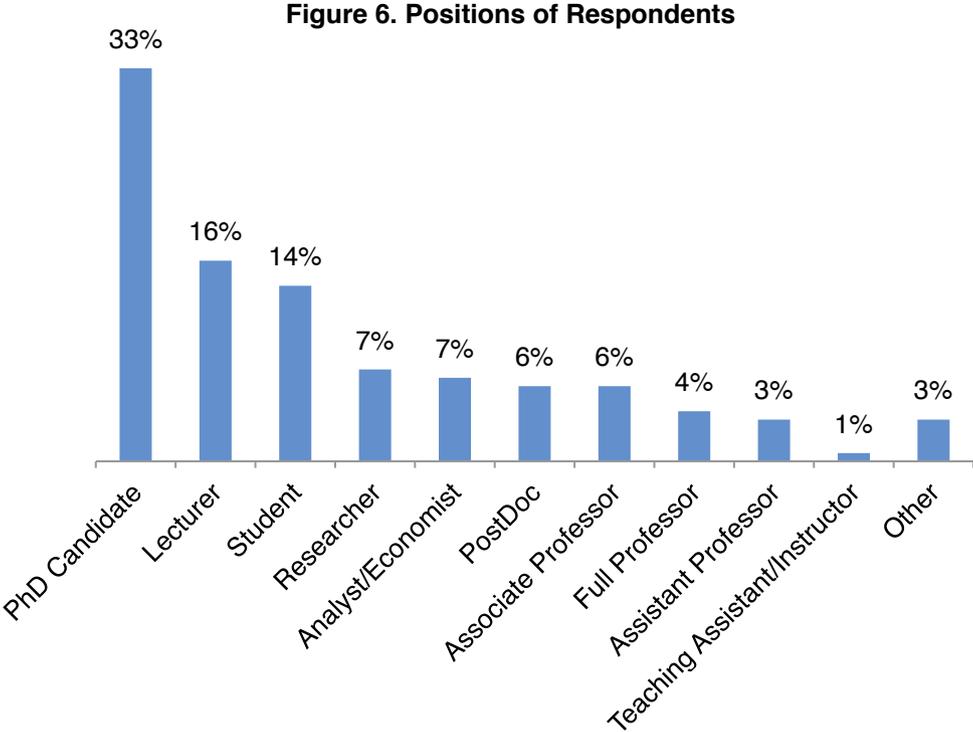
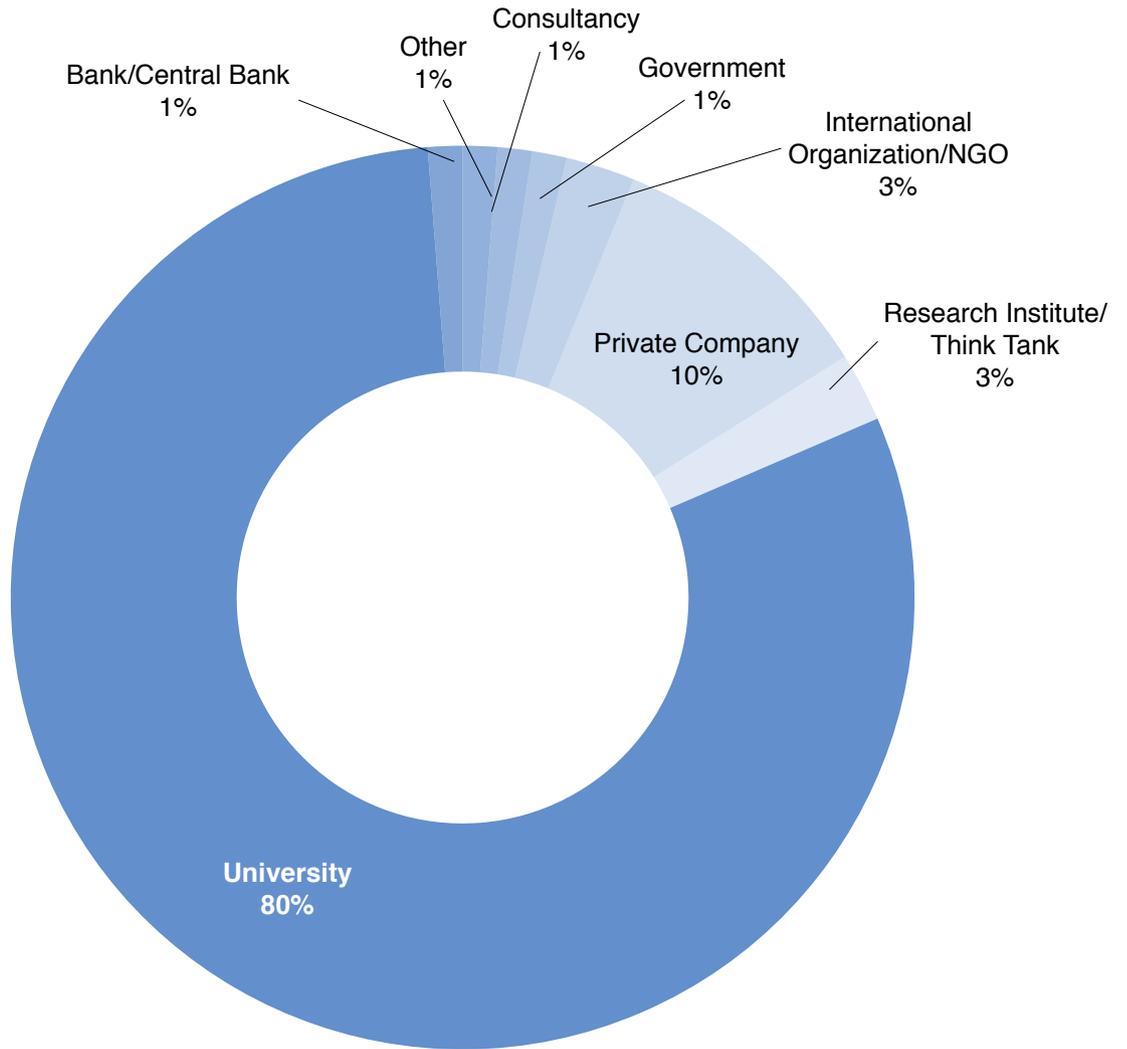


Figure 7. Employers of Respondents



c. Fields of Specialization

Fields of Specialization Studied

The most popular fields of specialization during an economist's studies are Microeconomics and Macroeconomics & Monetary Economics.

General Economics & Teaching, Industrial Organization and Economic History proved to be the least popular.

Figure 8. Fields of Specialization Studied by Respondents (JEL Codes)



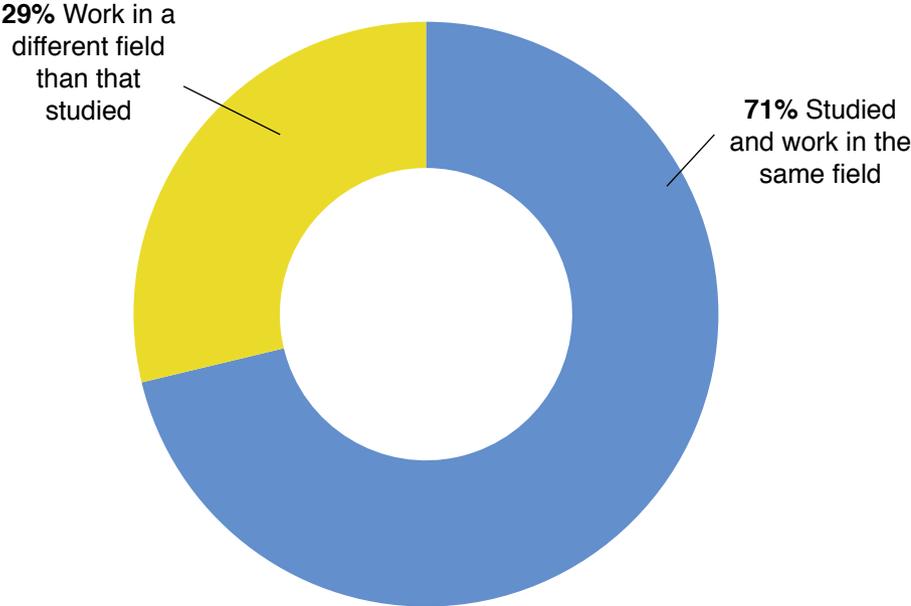
2. Economists: Perspectives of the Economics Job Market

a. Level of Mobility of Respondents: Professionally and Geographically

In the UK and Ireland the number of professionals working in a different field than

that studied (29% of the respondents) is lower compared to the worldwide average.

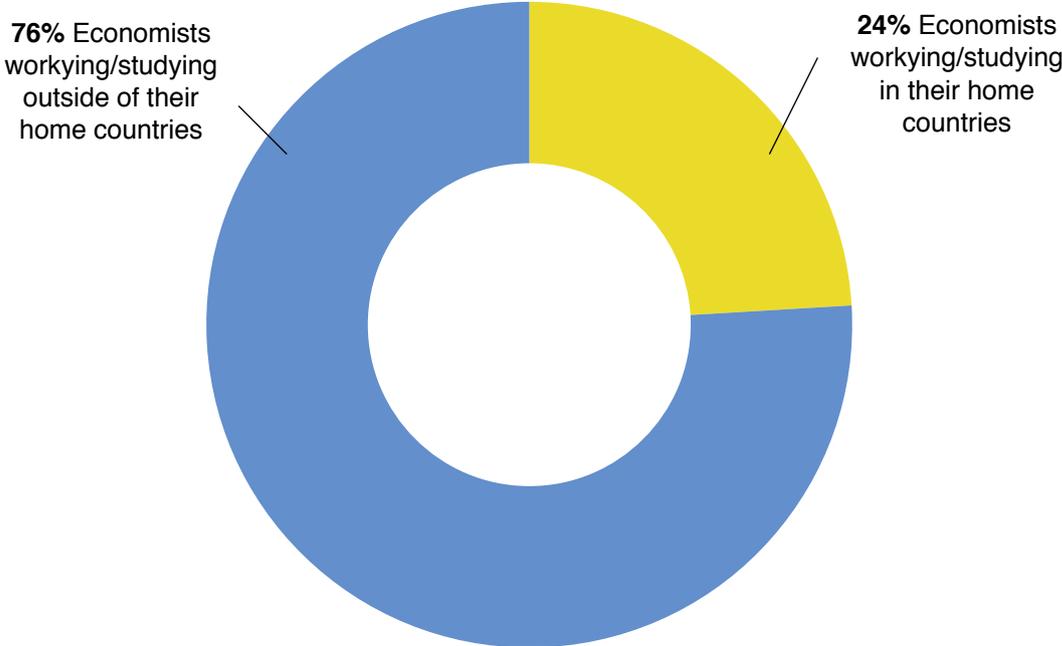
Figure 9. Mobility Within Fields of Specialization



The proportion of foreign economists in the UK and Ireland is extremely high (76%). This can be explained by the fact that the United Kingdom is one of the most popular study

destinations. Moreover, there are many visiting professors from other countries. Many economists have moved to the region from Italy, Germany, Greece, France and China.

Figure 10. International Economists vs. Domestic Economists



b. Preferences of Economists in the Job Market

Important Factors for Economists When Choosing a Job

As in the majority of countries, a friendly working environment is considered to be the most important factor for economists in the UK and Ireland when choosing a job. Time to conduct your own research is ranked second. Salary only ranks in fifth place. All the factors listed by their importance can be seen in Figure 11.

Interestingly, for older economists (above 35 years old) the most valuable factor is long-term contracts, and salary is considered more important than among younger respondents, ranked third in priority instead of fifth.

Figure 11. Important Factors for Economists When Choosing a Job
(Average score 1 to 4, where 4 is extremely important and 1 is not important at all)

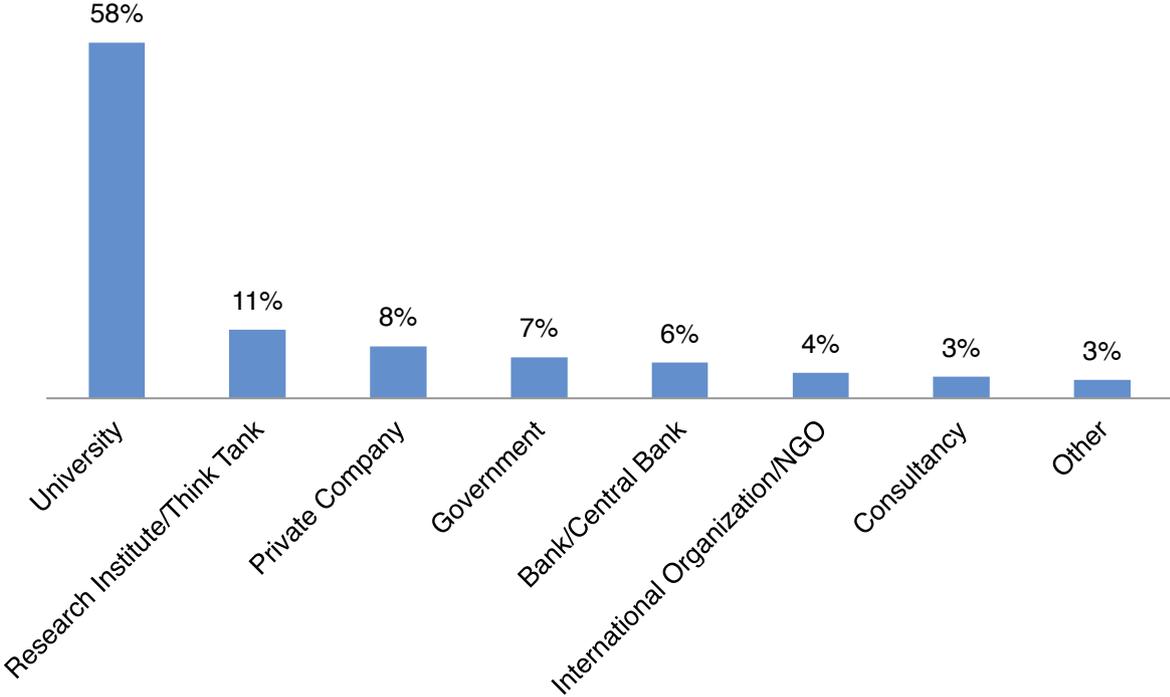
Friendly working environment	3,22
Time to conduct your own research	3,16
Flexible working hours / work-life balance	3,08
Reputation of the institution	3,07
Salary	3,07
Long-term contract	3,02
Fast career growth	2,88
Political, economical & social condition of the country (if abroad)	2,81
Social impact of the project	2,67
Teaching opportunities	2,34
Extra benefits	2,22
Proximity to your family/ home town	2,15
Should be in a different country	1,56

Preferred Employers of Economics Graduates

Respondents who were still studying when completing the survey were asked where they wanted to work after graduation. More than half of the respondents (58%) stated they want to get a job at a university and hence work in the academic field. Another 11% would like to

work in a Research institute/Think tank. It is worth noting that this number may include those intending to pursue a PhD in a university environment. All other preferences can be seen in Figure 12.

Figure 12. Top Types of Employers for Economics Graduates



c. Salaries of Economists: Average Salaries and Income Distribution

General Overview of Salaries: Average Income of Economists

Respondents to the INOMICS survey were asked to share information about their annual income within given salary ranges. The income level is relatively high in the UK and Ireland compared to other regions and countries (see

the [Worldwide Report](#) here). Only 10% of the respondents earn more than 75,000 US\$ per year, but half of all respondents stated their annual income is between 35,000 and 75,000 US\$.

Experience: Income Distribution

Wages increase gradually with experience gained: 40% of economists with at least 5 years of experience earn at least 75,000 US\$

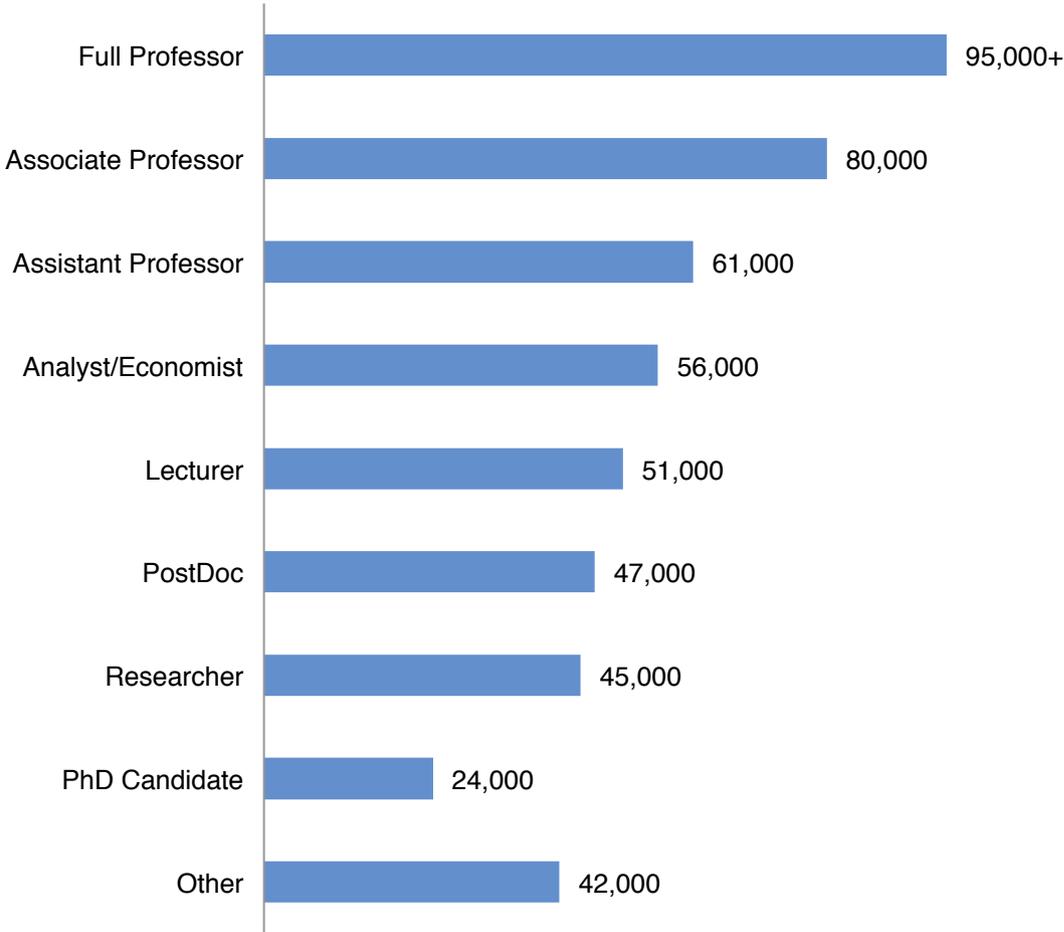
per year. Moreover, 70% of respondents with more than 10 years of experience earn more than 95,000 US\$ per year.

Positions: Average Income

Figure 15 suggests that Professors in the UK and Ireland earn significantly more than people in any other academic position: i.e. upwards of 61,000 US\$ per year on average starting with

Assistant Professor positions. A more detailed description of average salaries by position and by country breakdown can be found in Figure 13.

Figure 13. Average Income of Economists by Position (annually, US\$)

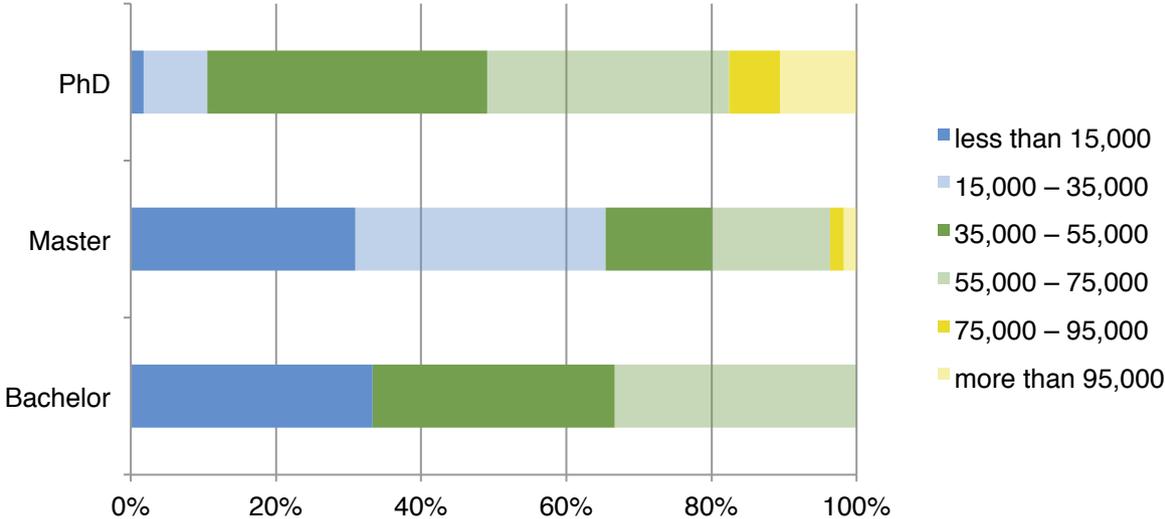


Academic Degree: Income Distribution

In the UK and Ireland (compared to the **worldwide** trend) salaries are not that strongly correlated with the academic degrees obtained. About a quarter of both Master’s and Bachelor’s degree holders earn less than

15,000 US\$ per year (this includes recent graduates and those working parallel to a higher degree qualification). On the other hand, only PhD and Master’s degree holders earn more than 75,000 US\$ per year.

Figure 14. Income Distribution of Economists by Education (annually, US\$)



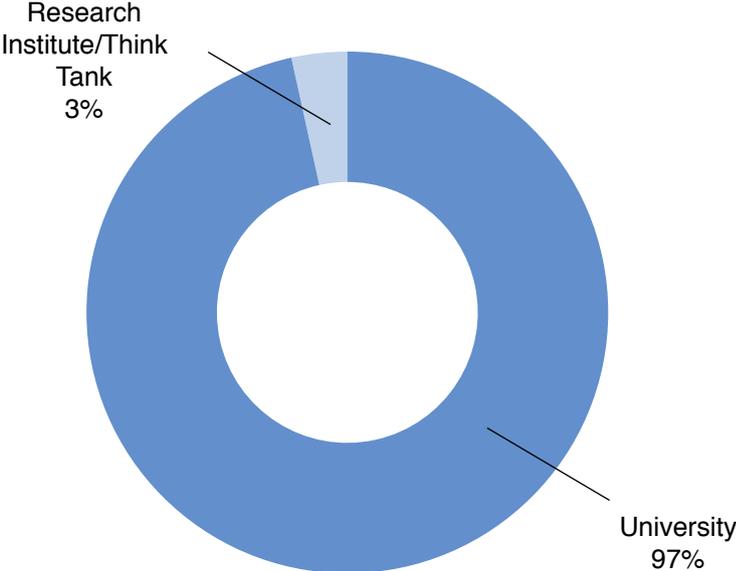
IV. Recruiters: Economics Job Market Outlook

1. Recruiters: Profiles of Respondents

29 respondents from the UK (only) took part in this section of the survey. There were no respondents from the Republic of Ireland. As can be seen in Figure 15, the majority (97%) represent universities. This can be

explained by the academic user base of INOMICS. Moreover, professors, researchers and academics from various institutions were invited to participate in the survey.

Figure 15. Institutions Represented by Recruiters



2. Recruiters: Perspectives of the Economics Job Market

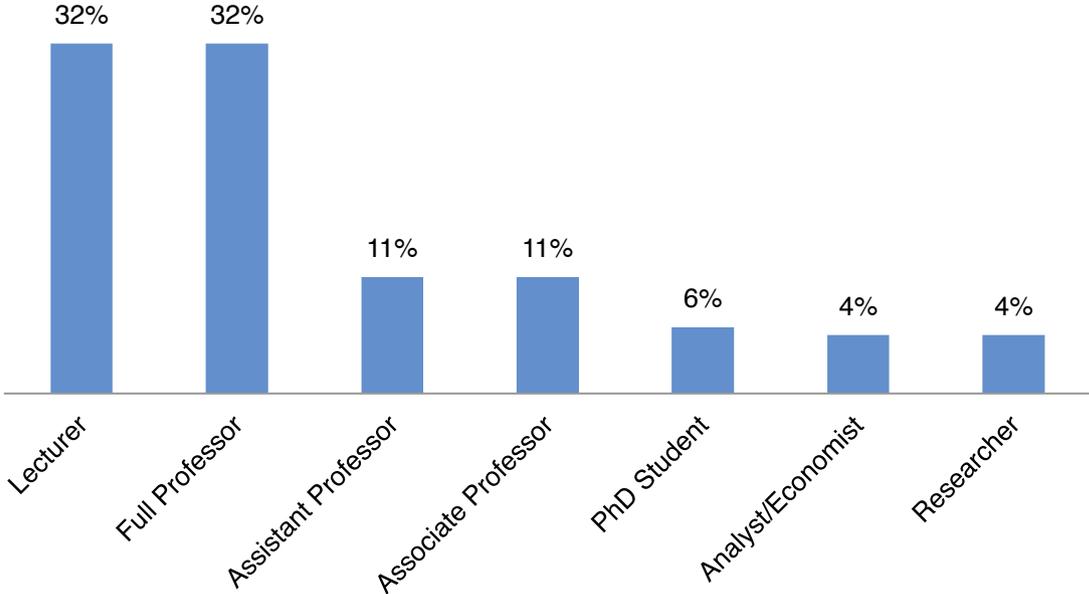
a. Latest Trends in the Economics Job Market: Demand and Salaries

Latest Open Positions for Economists

Recruiters were asked to describe the latest open positions in their organizations. As the majority of recruiters who took part in the survey represent academic institutions, it is not surprising that the majority of open positions

are faculty positions (see Figure 16). Lecture and Full Professor positions together account for two thirds of all latest open positions (32% each).

Figure 16. Latest Open Positions for Economists

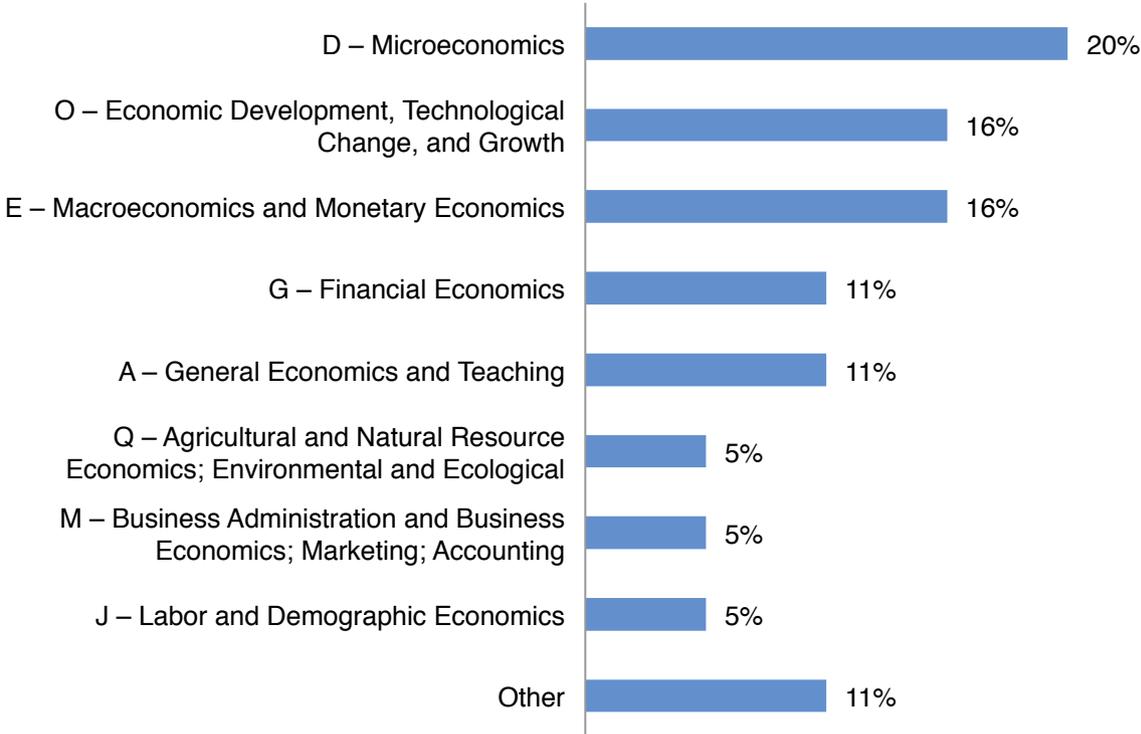


Fields of Specialization

Microeconomics, Economic Development and Macroeconomics & Monetary Economics are the most popular areas of specialization among recruiters, each being mentioned by 20%, 16% and 16% respectively. These figures match those for supply (studied

fields of specialization in Figure 8) and support the above mentioned idea that it is not that common to switch between fields of specialization.

Figure 17. Latest Open Positions for Economists: Fields of Specialization

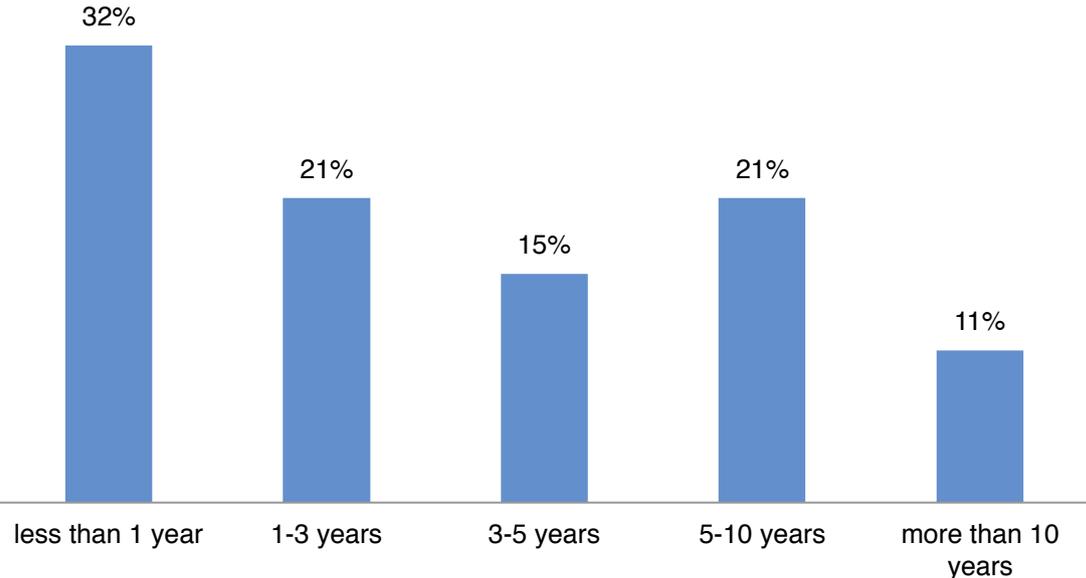


Minimum Education & Work Experience Requirements

The majority of open positions require a completed PhD degree (95%), which confirms the value of high academic qualifications in the academic job market for economists. On the other hand, most open positions are in academia where having a PhD is almost a

must. 32% of all open positions do not require much working experience, however, and are open for candidates with less than 1 year of experience. One third of positions (36%) require one to five years of experience.

Figure 18. Minimum Work Experience Requirements for Open Positions for Economists



Range of Salaries and Average Salaries by Position

Salaries offered for the latest open positions in the UK are high, especially compared to **other countries**: 44% of all open positions offer salaries above 95,000 US\$ per year and another 31% of open positions offer

55,000-95,000 US\$ per year. The highest salaries are for Professor positions with over 95,000 US\$ per year on average.

Figure 19. Salaries for the Latest Open Positions for Economists (annually, gross, US\$)

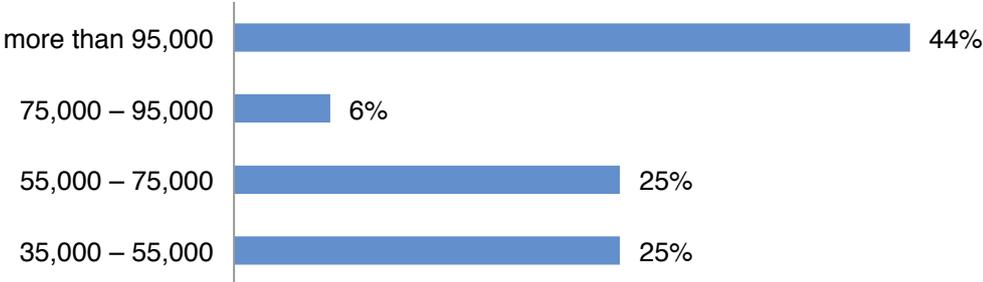
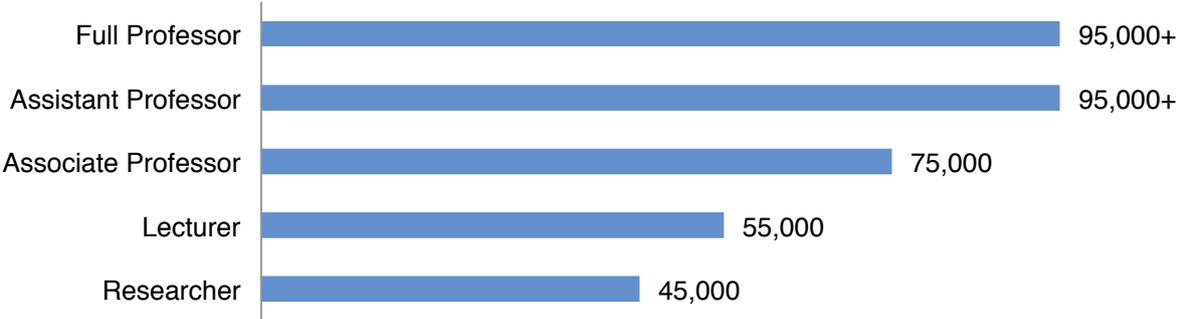


Figure 20. Salaries for the Latest Open Positions for Economists (annually, gross, US\$)



b. Preferences of Employers when Choosing a Candidate

The Most Important Factors when Choosing a Candidate & Geographic Preferences of Recruiting Institutions (Regional vs. International Applicants)

Recruiters were asked to rate the most important factors for their decision when choosing a candidate. A relevant degree and good recommendations were given the highest importance, as well as research experience. Distinct from the **worldwide trend**, quantitative skills are more valuable than communication skills.

The UK is very open to foreign economists with 72% of recruiters having no preference over the nationality of the candidates. Another 30% of open positions specifically prefer an international applicant.

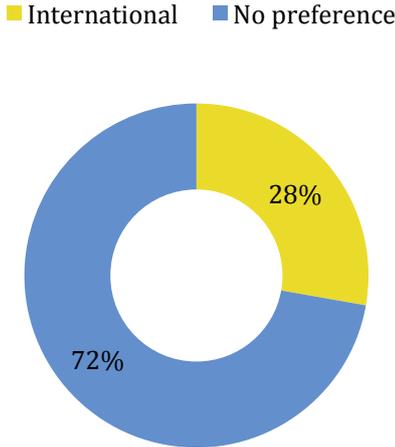
Figure 21. Important Factors when Choosing a Candidate

(Average score 1 to 4, where 4 is extremely important and 1 is not important at all)

Relevant degree	3,71
Good recommendations	3,65
Research experience	3,59
Quantitative skills	3,35
Experience at a reputable institution	3,24
Communication skills	3,18
Degree from a top university	2,71
Awards and distinctions	2,53
Experience in the private sector	1,47

Figure 22. Geographic Preferences of Recruiting Institutions

(National vs. International Applicants)

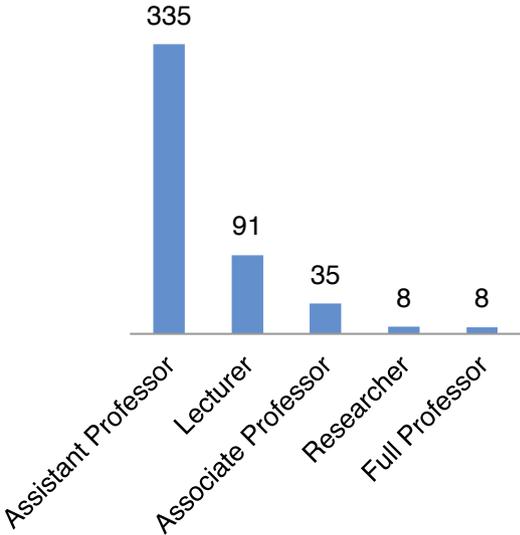


c. Selection Process

Number of Applications per Position

The number of applicants per position ranged greatly from 5 to 600, with the highest competition for Assistant Professor positions. The average number of applications for different positions can be found in Figure 23.

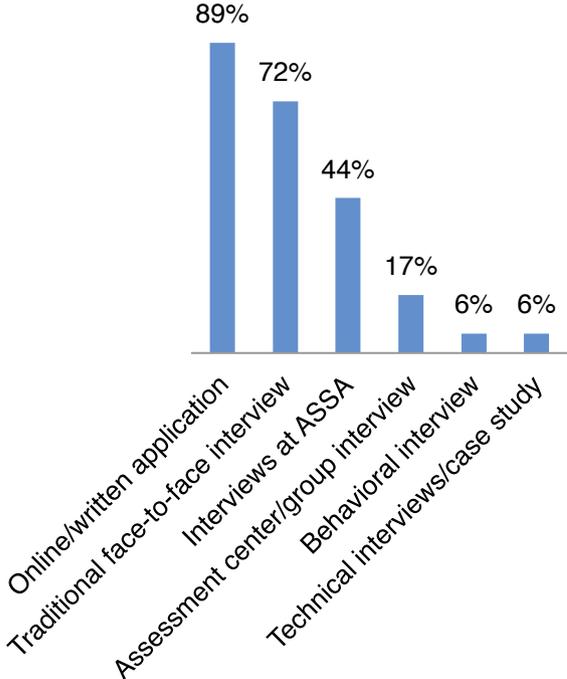
Figure 23. Average number of Applications per Position



Interviews

Figure 25 shows the techniques that are most used in the application and selection process in the UK. 72% of all open positions still require a traditional face-to-face interview. 44% of open positions hold interviews at the annual ASSA meetings during their selection process.

Figure 24. Application Process in Economics Institutions



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