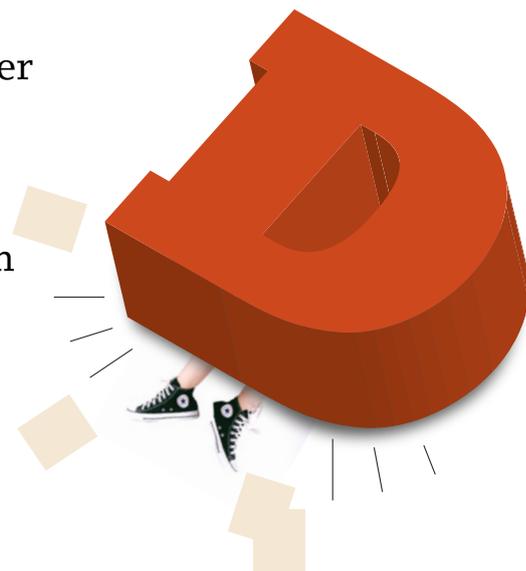


In many countries, important thresholds in national examinations act as a gateway to higher levels of education and better employment prospects. **Stephen Machin, Sandra McNally and Jenifer Ruiz-Valenzuela** explore the consequences of just failing an exam in English language taken at the end of compulsory schooling in England.



Costs of just failing high-stakes exams

Getting above or failing to reach thresholds in high-stakes public examinations is an important feature of success or failure in many people's lives. One well-known example is the need to obtain a grade C in English language and maths in the age 16 school-leaving exams in England (or grade 4 in the new system).

This is in part because achievement of literacy and numeracy skills is recognised as an important output of the education system. It is also because achieving a 'good pass' (grade C or better) in these exams has long been recognised as a key requirement for employment.

Indeed, this level of achievement is deemed so important that since 2015, it has become mandatory for students to repeat the exams if they fail to get a C grade in English or maths and wish to continue in some form of publicly funded education.

Our research analyses the benefits (or costs) for students who just pass (or fail) to meet a key threshold in these exams. More specifically, we present evidence on the importance of just obtaining a grade C in GCSE English language (which is the form of English exam undertaken by 72% of students in the cohort that we study).

The administrative data that we use follow the cohort that took the GCSE exam in 2013 over the next three years of their lives. Comparing students on the threshold of success and failure makes it possible to explore whether just passing or just failing has consequences for them in relation to their probability of early drop-out from education (and employment) and their probability of accessing higher-level courses, which are known to have a positive wage return in the labour market. Our analysis also looks at the effect on the probability of entering higher education.

The question is not so much whether it is important to perform well in English, as whether it is important to get past the specific threshold of a grade C. In other words, the focus is on isolating the effects of good or bad luck on exam day, which lead a student to end up on either side of the C threshold. Up to now this has not been evaluated empirically, even though getting a grade C in English is given great weight within institutions in England and in public conversation.

Our study makes use of the distribution of exact marks around the important threshold of grade C, using data provided by one of the four national awarding bodies (AQA). One key feature

of exams in England is the right to appeal, and while the administrative data contain final (post-appeal) grades (that is, from A* to G), we have also obtained access to student-level data on the pre-appeal and post-appeal marks. Marks range from 0 to 300, where the C threshold lies at 180 marks.

This is important since we can use these data to ascertain whether or not what looks like manipulation in the data is actually due to the re-grading process through appeals. Our research is unique in having the 'pre-manipulation' and 'post-manipulation' distribution of marks for the same students.

The findings we report show that just failing to achieve a grade C in English has a large associated cost. Put another way, the marginal student would have performed significantly better in the longer term had he or she not been so unlucky at this point.

The results show that narrowly missing the C grade in English language decreases the probability of enrolling in a higher-level qualification by at least 9 percentage points by age 19 (see Figure 1). There is a similarly large effect on the probability of achieving a higher ('full level 3') academic or vocational qualification by age 19 –

which is a pre-requisite for university or getting a job with good wage prospects. There is also an effect on the probability of entering tertiary or higher education.

Perhaps most surprisingly, narrowly missing a grade C increases the probability of dropping out of education at age 18 by about 4 percentage points (in a context where the national average is 12%) – see Figure 2. It increases the probability of becoming ‘not in education, training or employment’ by about 2 percentage points.

Those entering employment at this age (and without a grade C in English) are unlikely to be in jobs with good progression possibilities. If they are ‘not in education, employment or training’, this puts them at a high risk of wage scarring effects and crime participation resulting from youth unemployment in the longer term.

We show some evidence on the mechanisms through which failing to obtain a grade C in English leads to poor outcomes. These involve a narrowing of opportunities that arise within the educational system on the choice of post-16 institution and course the year after failing to get a C grade in GCSE English: students end up in institutions with less well-performing peers.

In a well-functioning education system, there would be ladders for the marginal student – or at least alternative educational options with good prospects. Our study suggests that the marginal student who is unlucky pays a high price.

Our analysis does not suggest that having pass/fail thresholds are undesirable. Achieving a minimum level of literacy and numeracy in the population is an important social and economic objective. But the fact that there are such big consequences from narrowly missing out on a C grade suggests that there is something going wrong within the system. It suggests that young people are not getting the support they need if they fail to make the grade (even narrowly).

It also suggests that other educational options available to people who cannot immediately enter higher academic or vocational education are failing to help a significant proportion of young people make progress up the educational ladder. Thus, it is symptomatic of an important source of inequality in education, with associated negative long-term economic consequences for young people who just fail to pass such an important high-stakes national exam taken at the end of compulsory schooling.

This article summarises ‘Entry through the Narrow Door: The Costs of Just Failing High Stakes Exams’ by Stephen Machin, Sandra McNally and Jenifer Ruiz-Valenzuela, Centre for Vocational Education Research (CVER) Discussion Paper No. 14 (<http://cver.lse.ac.uk/textonly/cver/pubs/cverdp014.pdf>).

Stephen Machin is director of CEP. **Sandra McNally** of the University of Surrey is director of CVER and of CEP’s education and skills programme. **Jenifer Ruiz-Valenzuela** is research coordinator of CVER and a research economist in CEP’s education and skills programme.

School students who narrowly fail to achieve a grade C in their GCSE English exam pay a high price

Figure 1:
Enrolled level 3 qualification by age 19
All C&D sample

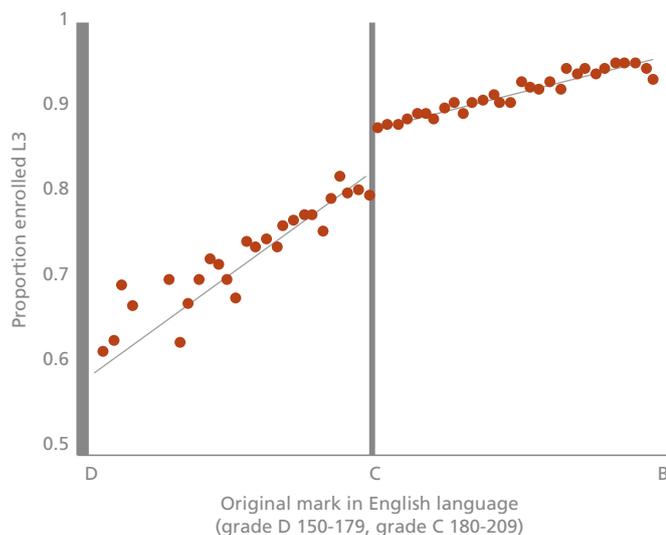
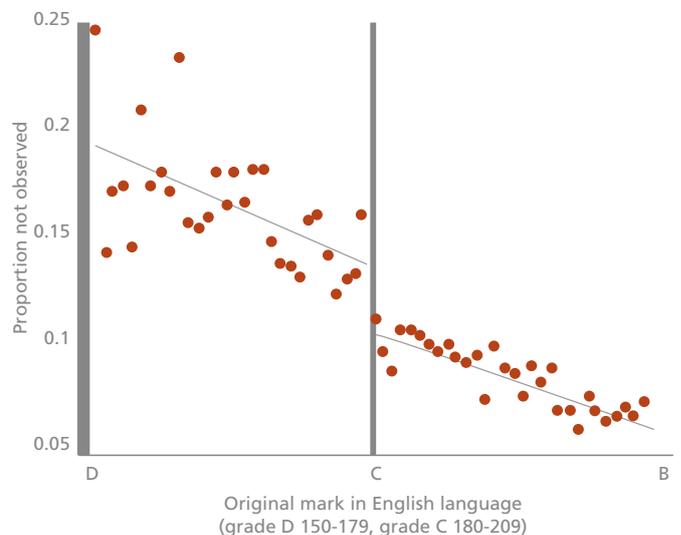


Figure 2:
Not observed in education at age 18
All C&D sample



Note: The figures show how outcomes for students ‘jump’ at the threshold for grade C in English language. The ‘original marks’ are before any appeals are made (AQA data).