

Graduates' Employment in European Union

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Abstract: *Graduates' employability is undoubtedly one of the main objectives of the provided higher education in all countries. Especially in European Union (EU) important legislative regulations have been agreed, voted and applied in order to establish a commonly accepted three-stage educational system for the higher education. Thus the examination of graduates' employment focuses today more than ever before the deep interest of governments, universities, professional bodies and researchers. However, recent relevant studies have shown that on one hand there is no real connection between the increase of graduates' professional knowledge and the noticed significant changes in the labour market and on the other that the majority of graduates are not well prepared for real world's working conditions. In spite of the changes in the quantity of graduates' employment and of the increase in the quality of their classical credentials, some characteristics of their position in the labour market remain unchanged through the passing of time. Furthermore, contrary to popular belief, the professional prospects and the quality of graduates' integration in the labour labyrinth, concern essentially the financial system against the educational scheme of each country. Nevertheless, the educational system constitutes the most considerable factor for the transition of university students to labour market. This paper aims to investigate the employment of university graduates in EU. A comparison among the member-countries is attempted regarding important relevant parameters such as the required time for first employment of the fresh graduates, the growing phenomenon of hetero-employment and the reported national unemployment rates. Two major problems concerning graduates' employability in EU are identified and commented. Finally some conclusions are derived and relative suggestions are proposed.*

Keywords: *graduates' employment, hetero-employment, labour market, unemployment, employability*

1. INTRODUCTION

The major themes of the public debates on higher education change rapidly. Many research results provide evidence for a growing complexity in the relationship between higher education and the world of work [1]. The employability of university graduates constitutes one of the principal indicators of the educational system's efficiency and of the achieved association between the higher education and the labour market. Therefore, the investigation of graduates' employment focuses nowadays the interest of governments, professional bodies and independent researchers attempting to analyze unemployment's evolution and aiming to contribute towards its lowering.

A recent study of the relationship between higher education and labour market observes that there appears to be no connection between the increase in professionals' level of knowledge and the changes occurred in the market [2]. Although the labour market undoubtedly demands basic skills and knowledge, it is of attaching increasing importance to the emotional and psychological attitudes of future employees. Many new study sections or specializations are guided from the requirements of the labour market leaders [3]. In addition, the relationships between higher education and graduate employment undoubtedly have common characteristics in most of the economically advanced countries. However, differences among countries are substantial in some respects. In Belgium and Sweden, two of the EU countries with the lowest graduate unemployment rates, potential employers consider that although university graduates are hardworking and possess an excellent knowledge of their specialization, they are ill prepared for real world's conditions and show few signs of creativity, adaptability and flexibility. This view has been also expressed in some other countries, including Germany, Japan, New Zealand, Norway and the United Kingdom [4].

Furthermore, the current trend in the labour market forces sometimes the fresh European graduates to search for a job that is not vocationally related to their subject of study (hetero-employment) [5]. The society invests in human capital – knowledge and specialization – with doubtful results. It is worth to begin wondering whether the European Union's officials are aware of the current situation, and if so, which are the policies they are going to adopt with this phenomenon.

This work aims to investigate the graduates' employment in the EU. It examines the labour market's treatment of the university graduates. More specifically, this paper examines the market's present situation of most European countries and the direct relation that they have with the professional perspectives of the graduates-employees. In addition, it provides a comparison among these countries regarding graduates' unemployment and the growing phenomenon of selecting jobs not vocationally related to their educational background. Finally, relevant conclusions are drawn and discussed.

2. COMPARISON

A thorough comparison regarding the employment prospects of the university graduates of the 25 EU member-countries is not possible because not all countries have elaborated or published comparable data covering all relevant parameters. Information on graduate employment and work is scarce and there are no indisputable criteria for assessing graduate employment. Signals from the employment system are more blurred and ambivalent than ever before. Nevertheless, it is generally acceptable that there are significant variations among countries and fields of studies concerning the relation between the labour market and the graduates. The integration of higher education graduates to the market requires an average waiting time of at least six months for nearly all countries. Furthermore, 50% of the graduates are obliged to work in jobs not vocationally related to their subject of study. This new trend in the job market usually creates new vacancies under the title “internship”. This means that employees-graduates are forced to change two or three (or even more) jobs until they find a permanent full-time placement. Additionally, the private sector is focusing more on experienced employees than fresh graduates. Nevertheless, the rates of graduates’ unemployment are undoubtedly lower than the overall unemployment rates. Table 1 includes collected data related to the employment of graduates about four years after graduation in ten EU countries.

Countries	Employed (%)	Seeking employment (%)
Norway	87	1
Sweden	83	1
Finland	93	1
United Kingdom	87	3
Netherlands	93	2
Germany	87	2
Austria	87	4
France	69	7
Spain	73	10
Italy	79	5
Total	84	4

Table 1: Employment of graduates about four years after graduation
source: CHEERS Graduate Survey, 2007

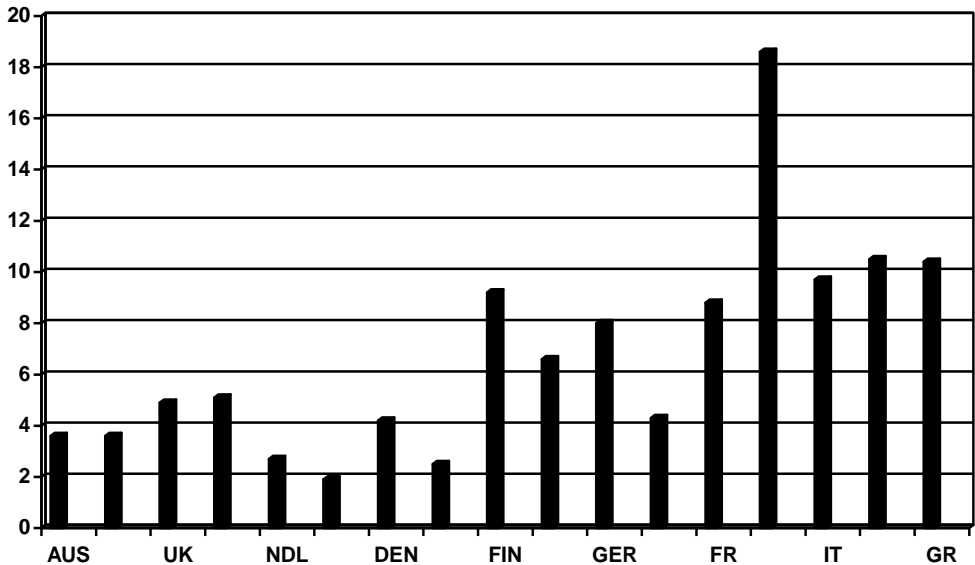
It can be observed that four years after graduation, the overall employment rate was 84%, while more than 87% of the graduates surveyed formed part of the labour force (employed, self-employed or unemployed). The rate was below 83% only in France, Spain, and Italy [6]. According to the CHEERS survey, about six out of seven graduates in ten European countries were part of the labour force four years after their graduation. Among the remaining ones, some were in advanced academic studies or in professional training, some spent most of their time on child rearing and family care, and some opted for a broad range of other activities. Amongst those in the labour force, the unemployment rate was approximately 4% [7].

Table 2 includes the graduates' unemployment rates of all 25 EU member-countries according to Eurostat (2002). The average EU unemployment rate equals to 4.4%. Graph 1 presents the unemployment rates among university graduates of several European countries. Latvia, Ireland, Netherlands and Luxemburg enjoy the lowest rates of graduates' unemployment (less than 2%). On the contrary Spain, Lithuania, Hungary and Greece present graduates' unemployment rates exceeding 7%. Regarding the overall unemployment rate, Poland seems to be in the worst position (18.6%). By comparing the results of table 2 and graph 1 it becomes clear that countries with high overall unemployment rate have also high graduates' unemployment (Greece, Spain, France, and Poland).

Country	Unemployed (%)	Country	Unemployed (%)
1 Belgium	2.4	14 Sweden	3.0
2 Denmark	2.6	15 United Kingdom	2.2
3 Germany	4.3	16 Czech Republic	2.6
4 Greece	7.1	17 Estonia	4.7
5 Spain	9.2	18 Cyprus	2.6
6 France	5.1	19 Latvia	1.2
7 Ireland	1.6	20 Lithuania	8.5
8 Italy	5.9	21 Hungary	7.5
9 Luxembourg	1.9	22 Malta	-
10 Netherlands	1.7	23 Poland	4.9
11 Austria	2.3	24 Slovenia	2.1
12 Portugal	2.3	25 Slovakia	4.1
13 Finland	4.9	E.U. (average)	4.4

Table 2: Graduates' unemployment in all EU countries (ages 25-64)

Source: Eurydice, Eurostat, 2002



Graph 1: Unemployment rates of university graduates
 Source: OECD Educational Attainment Database, May 2003

3. CONCLUSIONS

There are two major problems concerning graduates' employment in the EU labour market: a) many graduates finally select jobs not vocationally related to their educational background (European average 6.2% but in some countries exceeds 50%) and b) the significant rate number of graduates' unemployment in some countries. These problems are less obvious in north European countries, but became very serious in the southern part of Europe. It could be argued that there is a clear North-South divide in Europe. A substantial proportion of graduates from Spain, France and Italy face employment problems, but only few from Nordic countries. Therefore, the job market acts often like a forbidden fruit for a large number of university graduates. Usually, the employers prefer to hire experienced employees than fresh graduates with many credentials but without considerable job experience. In addition, the waiting time for a graduate to enter the job market varies from country to country but it might take six months or more, a factor that have abiding costs for the national economies. Spain, Greece, Cyprus, Italy, and Poland are particularized as the countries with the largest problems in graduates' employment.

For the above-mentioned reasons, the appropriate authorities - specifically the universities, the governments and the persons in charge of the professional orientation

- could take into account the analysis of this paper. Future research will tell us whether the relationships between higher education and the world of work will change faster in the future than in the recent past. Without any doubt, higher education studies are very important for the culture of the citizens and for the development of the society. It is however advisable that the universities should take the responsibility to construct educational plans that meet the standards and the requirements of the economy and the society that funds these institutions.

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