

GRADUATES' INTEGRATION ON THE LABOUR MARKET

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Abstract: *This paper contains a research study about the integration of 1st cycle graduates on the labour market. Marketing research was carried out among university graduates, emphasising their career path after graduating, taking into account that graduates' job placement has acquired great importance in higher education. The conclusion drawn in the paper is that career counselling and orientation should be fostered for students, while more weight should be given to practical placements in the study programs' curriculum, in order to build specific competences for students, which make them capable to obtain a better job position after graduation.*

Key words: *labour market, market research, career path, higher education marketing.*

1. Introduction

In recent years, the professional insertion of graduates has become a difficult process, such that an increasingly longer period of time is required from their graduation until they find a job. However, this process plays a crucial role in adapting to economic and social life and in the further development of young people. Therefore, in this paper we aimed to analyse the integration of university graduates in the labour market. We chose as a case study the Faculty of Economic Sciences and Business Administration of *Transilvania* University of Brasov, Romania.

Given the difficulty for young people to find a job after the completion of their first cycle of studies, a survey was conducted among graduates regarding their insertion on the labour market. The research was conducted in November and December 2012, and its main purpose was to identify

the intentions of the target population in terms of their career path. Thus, we aimed to identify the attitude of graduates with regard to the improvements that should be made by the faculty to facilitate the provision of a professional career in the graduates' field of study, as well as their attitude towards the chosen career path.

Based on the research results, we concluded that greater emphasis must be placed on the practical activities rather than on the theory, so that young people may have a better chance to integrate into the labour market. Also, policies on lifelong learning should be developed. To increase the chances of possible employment and add value to the knowledge acquired, graduates should be in-line with technological changes.

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2. Literature review

2.1. Marketing of educational services

The marketing of educational services can be included in a broad concept called social marketing. This one was launched by Kotler and Zaltman (1971), who proposed the following definition: social marketing is the development, implementation and control of programs aimed at increasing adherence to an idea, a cause or a social behaviour in one or more of the groups concerned.

Social marketing is found in specializations such as:

- public services marketing;
- marketing of ideas and social causes;
- marketing of services and cultural values.

In turn, public service marketing majors include: marketing of educational services, cultural services, healthcare, professional services transportation etc. Educational marketing regards the *"analysis, planning, implementation and control of the programs capable of bringing about voluntary changes of values, in accordance with market targets, so as to meet institutional goals"* [1].

The specifics of educational activities generate peculiarities of the educational marketing application, arising from the fact that the educational institution sustains market relations with three categories of customers [2]:

- with **operators in the national economy** - the education institution is the workforce provider (wanting to hire graduates or students);
- with **young people** as potential customers;
- with **students** as de facto customers.

The starting point for harmonizing the interests of these three categories of customers is represented by the needs of labour market, so that all higher education institutions must be constantly adapted to the employers' requirements.

Even though we face major changes in the

labour market, the essence of university education is to create a well-defined professional horizon, with the aim of creating the necessary conditions for the integration on the labour market and social inclusion of young specialists [3].

In addition to the above issues, we can notice a reduction of the number of students, which determines a fierce competition on the Romanian educational market. Moreover, the "Bologna Process" has led to further competition in emerging countries due to the marketing activities of extremely prestigious faculties in EU countries.

2.2. Strategic Marketing in universities

As mentioned above, the university sees high school students as prospective clients. Thus, over the years, there has been a need to increase marketing efforts among high school students to guide them to a specific university. Each university is promoted as a distinct brand and, in order to be able to attract high performing students, the reputation and rank of educational institutions are extremely important.

Universities create their brand image. For example, the force of the name "Harvard" is widely recognized as a symbol of excellence and educational pre-eminence [4]. The role of marketing is extremely important, given the interest of young people for furthering their studies abroad. The dynamics of the external environment, the increasingly strong competition over markets and for maintaining them, as well as globalization, all require marketing to be a continuous process over time, not by integrating daily routines, but through a project based on strategy and strategic objectives resulting from the mission of the university [5].

Strategic marketing is a marketing process based on strategic thinking, thus requiring long-term planning. Therefore it can be said that strategic marketing is a projection into the future.

The adoption of the Bologna system of education in Romania is part of the national development strategy. This measure is highly strategic, as higher education is organized on three levels of education: undergraduate, master and doctoral programs.

The future strategic directions of higher education are connected to the labour market and aim to improve the students' access to this market. In this respect, the education supply and the labour market requirements could be matched on the following ways [6]:

- orientation of education towards development of competencies, abilities and skills necessary on the labour market;
- establishing the number of students on both labour demand and key areas of competencies essential for an active life;
- building a high responsibility of social partners on issues relating to education.

3. Importance of quality in Romanian higher education

Higher education is now creating professionals who will work in the Romanian economy and society of tomorrow. Orientation towards quality is the incentive for achieving a prosperous economy.

Quality standards adopted by universities should allow both the individual and society to improve performance in a global environment characterized by competition and dynamism. "Maintaining the standard is possible only if the university is performance-oriented and improve its supply, results and encourage a responsible attitude of the staff" [7].

Universities can be linked to organizations operating in a competitive market, so the market will withstand only those institutions that demonstrate a good

ability to adapt to the needs of the economic and social environment.

The pressure on public higher education institutions to achieve a competitive activity is also increasingly higher due to the presence on the market of private universities, which, given the lack of budgetary resources, are forced to operate in a dynamic and efficient way.

According to the National Education Act, supporting individual excellence includes the creation of tools and mechanisms to support professional insertion. Thus professional insertion becomes an issue of major concern and the rector of each university is required to report annually (not later than the first working day in April) the current economic and educational status of the university. The report is published on the university's website and sent to all interested parties. In addition to many other situations to be achieved, the report includes the situation of the professional insertion of past graduates.

4. Decisive factors of labour market integration

The main factors that can facilitate or hinder integration into the labour market are: economic, economic development, the demand for labour. We should not forget the competences, knowledge and skills acquired in school, which determine the potential to integrate into the labour market. The lengthening of the transition from school to work can be explained by a number of factors such as the extension of education, economic development, increasingly higher rates of youth unemployment etc.

High unemployment among young people is one of the most problematic issues and this phenomenon occurs not only in developing countries but also in developed economies. According to the European Institute of Statistics (EUROSTAT), in 2011, 7.5 million of young Europeans aged between 15 and 24 were unemployed. The worst

situation of unemployment was recorded in Greece and Spain, where 55% of the young people were unemployed. This is two times higher than the unemployment rate among adults in most Member States and has increased dramatically in the past four years.

Only 30% of the young people that were unemployed in 2010 found a job in 2011. [8]

Based on these facts, Figure 1 presented the unemployment rates recorded in the Member States of the European Union in 2011, divided by genders.

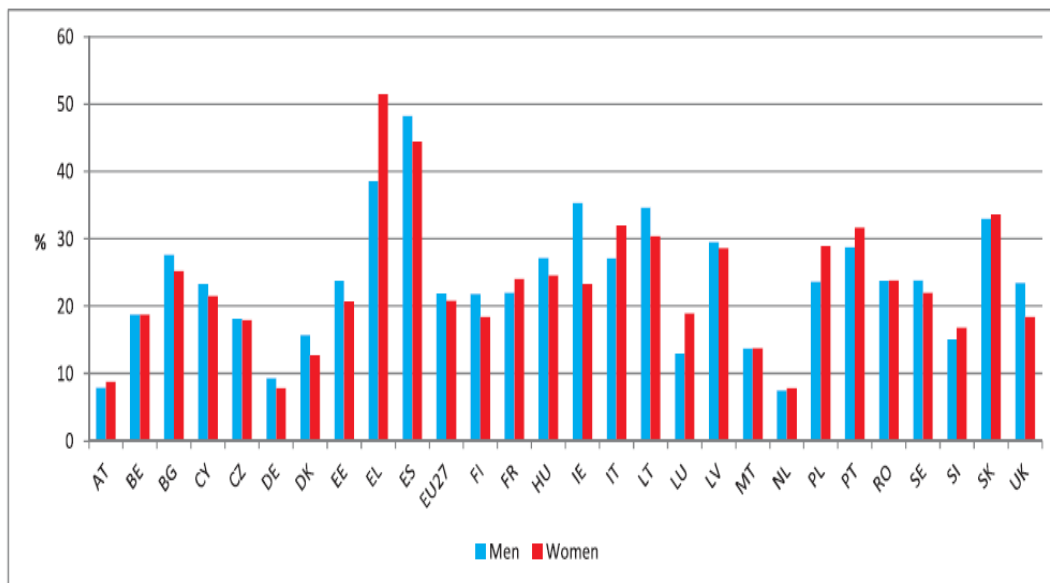


Fig. 1. *Unemployment among young people in the European Union Member States in 2011*

Source: <http://www.eurofound.europa.eu/pubdocs/2012/54/en/1/EF1254EN.pdf>

In the figure above it can be observed that gender differences regarding the unemployment rate vary by country. In general, higher levels of unemployment are recorded among young males from Scandinavian and Baltic countries, while in the countries of southern Europe, except for Spain, the unemployment rate is higher among women. The situation is more balanced in Belgium, the Netherlands, Malta and Romania.

5. Marketing research on career paths of the 1st cycle graduates

To identify the career path of graduates, we conducted a marketing research aiming at identifying the attitudes,

opinions and behaviours of graduates of the Faculty of Economic Sciences and Business Administration from *Transilvania* University as regards their career paths after graduation.

The main objectives of this research were:

1. to identify key behaviours of graduates with regard to the professional path after completing undergraduate studies (1st cycle according to the Bologna process).
2. to identify graduates' carrier intentions.
3. to identify graduates' opinions towards the changes that should be made by the Faculty in order to increase the graduates' employability

in their field of study.

5.1. Research Methodology

To achieve the research objectives a survey has been conducted among the graduates who completed their undergraduate studies during the last three years. The data have been collected using a questionnaire with closed questions.

The sample from which the data have been collected comprised 200 individuals and the sampling method used was the weighted stratified sampling which takes into account the heterogeneity of the population based on specific characteristics. The stratifying variable was the program of study graduated (students' specialization).

5.2. Research results

The research started with a filtering

question that referred to the present situation of the graduates concerning their professional status (see fig. 2). 21% of the graduates do not currently have a job, while 78.5% are employed at present. There was also a non-response, which indicates that a person did not answer this question.

The main reason for which the graduates do not have a job is represented by the enrolling in master's study programs (31.7% of responses). Another reason is caused by the lack of jobs in the studied field (20.3% of responses). A percentage of 18.7% were unable to find a job to date, and the lowest percentage of 3.3% was recorded for people who went abroad after graduation.

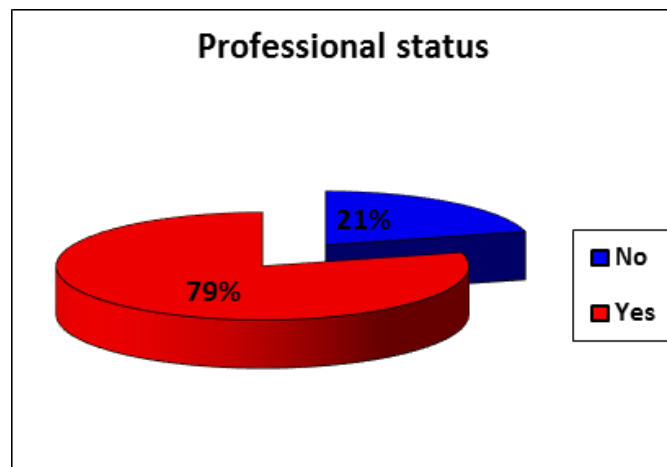


Fig. 2. *Professional status chart*

Further on we tried to find whether there is a relationship between the present employment status and the year of graduation.

The relationship between employment status and graduation year

Table 1

Currently working?	Year of graduation			Total
	2010	2011	2012	
No	16.3%	21.1%	24.7%	21.6%
Yes	83.7%	78.9%	75.3%	78.4%
Total	100%	100%	100%	100%

We can see that among the graduates of 2010, 16% of respondents do not currently have a job and 84% of them are employed. The percentage of graduates in 2011 increased for people without a job and decreased among the working population. Graduates of 2012 follow the same trend. This is likely to happen because the generation of 2010 would have had enough time to finish their master studies, while graduates in 2012 might still attend a master program.

In order to test the statistical significance of such differences, a chi-square test was performed. The results of this test are presented in Table 2.

As it can be seen in the table, the calculated value of χ^2 is 1.212 and the significance level calculated is 0.545. The calculated level is higher than the theoretical level ($\alpha=0.05$) and therefore we have to accept the null hypothesis that the two variables are not related.

Chi-square test results

Table 2

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.212	2	.545
Likelihood Ratio	1.247	2	.536
Linear-by-Linear Association	1.196	1	.274
N of Valid Cases	199		

In table 3, a cross tabulation has been computed between the gender and the time taken until the first job. The results reveal that 39% of males found work in less than a month after the 1st cycle, while 29% found work within 1-3 months. Among female respondents, the response rate was of 36.3% for "less than a month" and 24.4% for 1-3 months.

The percentage difference between men and women is very low. For a period of 6-9 months and 9 months - 1 year, it can be

noticed that the percentages obtained are small ones. Ideally, after graduation, graduates should be able to find a job as soon as possible.

Applying the Chi-square test on the relationship between the above mentioned variables lead us to accepting the null hypothesis according to which there is no relationship between the lapse of time from graduation to employment and the respondents' gender.

The relationship between the respondents' gender and the time taken until the first job

Table 3

Time until finding the first job	Gender		Total
	male	female	
less than 1 month	38.7%	36.3%	36.7%
1-3 months	29.0%	24.4%	25.3%
3-6 months	16.1%	20.0%	19.3%
6-9 months		6.7%	5.4%
9 months-1 year	6.5%	2.2%	3.0%
more than 1 year	9.7%	10.4%	10.2%
Total	100%	100%	100%

Table 4 presents the respondents' answers regarding the usage of the knowledge gained during the 1st cycle in their job.

Usage of the knowledge at job

Table 4

	Frequency	Valid Percent
1= to a small extent	26	16.1
2	43	26.7
3	50	31.1
4	34	21.1
5= to a large extent	8	5.0
Total	161	100

It can be seen that there is a well-balanced distribution around level 3 of the scale. Thus 31.1% of the respondents provided level 3, 26.7% level 2 and 21.1% level 4. The lowest percentage was obtained for the response indicating level 5-to a great extent. The mode value and the median are on level 3, and the average score is 2.72 points on a scale from 1 to 5 (5-to a large extent).

Another question included in the questionnaire was: "What is your main priority for the next period, from a professional standpoint?"

We obtained the following results (see fig. 3): 41.9% of respondents stated that they work in the field but would also continue their studies, and a percentage of 29.1% will look for a job but will also continue their studies. A percentage of 17.3% wish to find a job irrespective of the activity field and 7.8% of respondents wanted to work abroad. The lowest percentage (3.9% of respondents) was recorded for a higher priority given to further education without seeking a job.

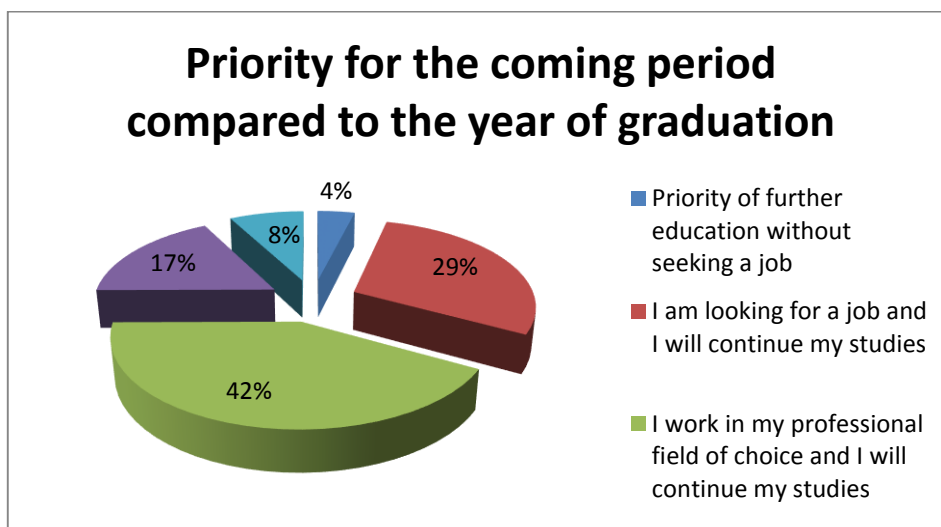


Fig. 3. *The answers' structure regarding the professional priorities*

The results were unsurprising as after finishing their undergraduate studies, graduates focus on their desire to gain experience in their field of study and are looking for a job. In conclusion, it is very

important for graduates to find a job in their field.

Further on, we analysed whether there is a connection between respondents' priority and their year of graduation (see Table 5).

Priority for the coming period compared to the year of graduation Table 5

Professional priority	Year of graduation			Total
	2010	2011	2012	
Further education without seeking a job	5.4%	3.0%	3.9%	3.9%
Looking for a job and continue studies	13.5%	33.3%	32.9%	29.1%
I work in my field of choice and I will continue my studies	51.4%	42.4%	36.8%	41.9%
I am willing to work in any field	16.2%	13.6%	21.1%	17.3%
I wish to work abroad	13.5%	7.6%	5.3%	7.8%
Total	100%	100%	100%	100%

Higher percentages of people wishing to continue their studies were recorded among respondents who graduated in 2010, as most have already found a job in the field studied. Lower percentages were recorded for recent graduates who consider it a priority looking for a job. Further, by applying the Chi-square test and comparing the significance level calculated (0.359) with the theoretical one (0.05), we have to accept H0 hypothesis so that we cannot guarantee that there is a relationship between respondents' priority and their year of graduation.

As the previous question revealed, for people who wanted to work abroad, we used a further question, namely "If you were offered the opportunity, would you work abroad?"

The difference between the number of people who want to work abroad and the people who would leave the country for a job is very high. A percentage of 65.3% of respondents would like to work abroad, while a percentage of only 34.7% would not. In spite of this fact, only 7.8% of respondents have the wish to work abroad as a priority, but many respondents do not exclude such an opportunity. It was unsurprising that the percentage of people who want to work abroad was higher for recent graduates, as distance from home is considered less important than experience. There are also several factors that lead young people to leave the country, such as: wages, living standards etc.

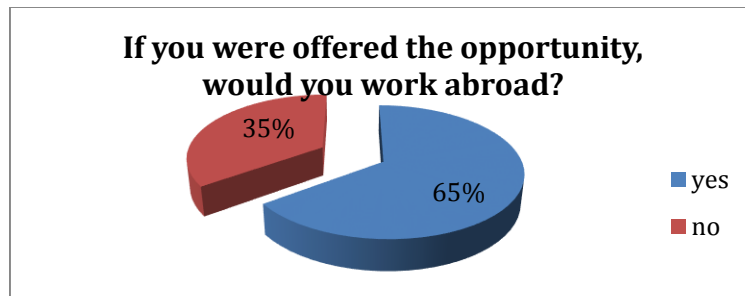


Fig. 4. *The willingness to leave the country in order to work abroad*

Further on, the respondents were asked to rank several activities they consider important and which *Transilvania* University should put into practice in order to improve the process of providing professional competences to students (see Table 6).

The results reveal that inviting former graduates to courses/seminars and

presenting their career path is the best way to stimulate students to involve themselves in achieving the professional competences. Volunteer programs within the faculty are placed on the second place, followed by the necessity to improve the curriculum according to the requirements of the labour market.

Ranking of measures facilitating professional competences Table 6

	Mean
Inviting alumni to courses / seminars and presentation of their career path	3.47
Volunteer programs in the faculty	3.96
Adaptation of curriculum to the labour market	4.33
More comprehensive practice programs	4.50
Collaboration between local businesses and the university	4.64
Valid N (listwise)	200

On the last places respondents rank more practical programs and the collaboration between the university and local businesses.

6. Conclusions and further strategies

The professional insertion of graduates has become a difficult process as an increasingly longer lapse of time is required from graduation until finding a job. However the insertion of graduates into the labour market plays a crucial role in adapting to economic and social life and in the further development of youth. This is the reason why we have included in this study a quantitative research on the career path of graduates.

By processing the research conducted, the

following results were obtained: the majority of graduates have found a job after completing university. The main reason for not working among graduates of the 1st cycle is represented by enrolling in another study program; this category is followed by those who cannot find a job in the area studied in university. A percentage of 18.7% did not find a job, to date. Regarding the professional priority, the highest percentage was obtained by those working in the field and continuing their studies, followed by job seekers. A percentage of 17.3% wish to enrol in any field of activity, while 7.8% of respondents want to work abroad.

The hierarchy of possible improvement

measures that should be taken by *Transilvania* University of Brasov are: invitation of alumni members to courses / seminars in order to present their career paths, volunteer programs, adaptation of academic curriculum to the labour market and the collaboration between the university and the local companies. There is a quite high discrepancy between the first and the last criteria, but one cannot base any judgment on this difference, given that an ordinal scale does not provide information about the distance between values, contributing only to the creation of a hierarchy.

Our first proposition for further strategies is to increase the counselling and guidance of students, thus supporting them in their professional endeavours. In addition, strategies focused on lifelong learning should be developed, and possibly requalification of graduates who fail to find a job. To increase the chances of possible employment and add value to their accumulated knowledge, they should be able to keep up with technological changes, particularly in information technology. For instance, a possible solution might be the professional training and retraining of young people who have difficulties in finding a job.

For people with an entrepreneurial spirit, the active promotion of the Business Incubator in Brasov could prove very useful, providing them with a much needed aid. Thus, they could have the courage to start a small business, which, given the proper amount of work and time, could flourish, eventually providing jobs for other graduates.

We see a great point of utility in the future existence within the faculty of a common platform for performing internships or jobs available for students. Additionally, innovative teaching methods can encourage creativity and competitiveness and develop the skills required by employers in relation to potential employees [9]. With proper

adjustment of the curriculum (depending on the requirements of the labour market) and a greater emphasis on practice, young people would have a better chance to integrate into the labour market. To this end, there should be an increase in the collaboration between the faculty and the local or national companies.

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