

LABOUR MARKET INTEGRATION OF THE UNIVERSITY OF ORADEA STUDENTS. EXPLORATIVE STUDY

Hatos Roxana ¹, Borza Adriana ²

^{1,2}*University of Oradea (Economics, Faculty of Economics Science), Oradea, Romania*
roxanahatos@gmail.com
aborza@uoradea.ro

Abstract: In the life of any young-person, entering the labour market is one of the most important events. It can be an easy process or, on the contrary, it may be marked by many constraints and opportunities. The labour market for young graduates is different depending on the country in which he lives. Young labour market insertion can occur both after and during school graduation. He or she becomes, in the latter situation, an insider in the labour market. Many countries are reforming their education systems to provide their citizens with knowledge and skills that enable them to meet social and economic challenges of the society. Countries vary significantly from each other in their economic, socio-demographic and institutional characteristics. Our study focuses on the analysis of the University of Oradea graduates in the last four years. The sample includes 529 respondents from different academic specializations both BA and MA level. In this context, in our analysis we have 38% MA graduates and 62% BA graduates, of which 39% married and the remaining 61% unmarried. Of the total sample 78% have a job. More than half of the subjects (53,5%) considered as good or very good the professional training provided by the UO. Validating our hypotheses, the correlation of field of study with the domain of the current job is higher in the case of MA level graduates and, moreover, it predicts the level of satisfaction of our subjects with the development opportunities (personal and professional) provided by the educational programs of the University. It is clear, therefore, that MA graduates are more grateful to the University performance than BA degrees holders. It is proven, that the assessment of the academic programs on behalf of graduates depends heavily on their successful integration in the labor market. The limits of the study are related to our auto selected subjects that have responded to our online questionnaire.

Keywords: transition from school to active life, youth insertion on labor market, job, occupation.

JEL classification: J01; J62;

1. Introduction

Transition from school to work is one of the most important and difficult moments in the life of a young people. This period of time may be very unstable, involving different attempts of the young graduate to enter the labor market or, on the contrary, can be an easy process. During the transition, young people have to take difficult decisions, such as continuing studies or to leave school and look for a job, what kind of job to choose and how to respond to labor market opportunities and constraints (Agnieryka Dudyńska, 2010). The decision that young will take in this transition period will have long-term consequences such as leaving parental home and starting a family (Schoon and Silberesen, 2009).

National and international statistics (OECD, 2010 ECEA, 2012) emphasizes that university graduates have higher employment opportunities and find a job faster than high

school graduates. This is confirmed by a study conducted in Romania in 2010 (Voicu.B, Tufiş.C and Voicu, M, 2010).

Many countries are reforming their education systems to provide their citizens with knowledge and skills that enable them to engage actively in democratic societies and dynamic knowledge-based economies (OECD, 2000). Countries vary significantly from each other in their economic, socio-demographic and institutional characteristics.

The objective of this article is to investigate the integration into the labor market of an opportunity sample of MA and BA level graduates of University Oradea who have completed an online questionnaire delivered at between 2012 and 2013.

2.Theory

Transition from school to work designates the process by which graduates enter the labour market, respectively young people leave the education system. In this process, young people gain their first experiences as employees, even if they have or not have graduate. Transition from school to work generally begins during the last years of study and includes the first attempts of young people to enter the labour market in the formal economy, but also in the grey economy either. For OECD (OECD, 1999, p 45), the transition is defined as "the period beginning the first year of age at which less than 75% of the population is studying without working and ends in the last year 50% of the population that works without studying."

Investigation of the integration process into the labour market is hampered by replacing classical/ direct transition model in which work and school are succeeding with an indirect transition model, or dual, in which school and work may overlap for certain periods of time, alternating unemployment or inactivity.

To describe youth pathways in 2000, OECD adopted the concept of "itinerary" that allows comparisons between countries by describing the relationship between training methods and organization of the labour market. The education system provides various training opportunities and young people choose their own routes of transition, being influenced in their decisions by public authorities, employers and their families. The idea of itinerary or professional trajectory occupies a central position in the transition from school to work and requires a different way of seeing or thinking social and professional integration of young people.

It is widely accepted that the integration of young people into the labour market plays a decisive role in determining their economic and social well-being and their future development. In this direction, was developed concept of transition from school to "decent work ", arguing that a person does not successfully complete this transition until you get to handle a job that involves the practice of decent work Also, the problem can be extended to transition graduates / young the first job "significant" which means a busy job after leaving the education system for at least six months and for at least 20 hours work per week (Statistical Office of the European Union). Furthermore, analysis of labour market integration of young people should consider the degree of agreement between the qualifications held by graduates / young and occupations that they practice as an indicator of the quality of the transition from school to work.

The literature defines the differences between transition from school to work and insertion in the labour market by the fact that transition from school to work does not necessarily mean graduation, while the insertion on the labour market means finding a job after graduation (Hill, Carolyn and Holzer, Harry, 2006).

The differentiation between the two concepts is, however, often unclear because the sequence of school-work, no longer complies with the classic compulsory school and work may alternate with periods of inactivity and unemployment, can complement or even to change the sequence of classical (where forms of evening classes , part time , distance

learning , on- line , "blended " , etc. whose role is precisely to provide a second chance at education to those who already went through the process of entering the labour market) . In addition , school - work transition is different from one country to another , depending on the link between education and the labour market, the degree of standardization of the national education system, as the system provides educational and professional development options in choosing the during the studies, is widely recognized that the so-called dual model - in which education and practice occur simultaneously, allowing the student to become insiders in the labour market even before graduation. (Rolf K.W. van der Velden, Maarten H.J. Wolbers, 2001).

In a comparative study it is explored how patterns of institutional differentiation in higher education systems are related to educational inequalities at the time of transition from higher education to work. Measure institutional differentiation between countries on two dimensions: the degree which mainly structured social inequalities in occupational status attainment and occupational specifics which mainly structured into educational inequalities in labour market dynamics. Convergent processes led to similar patterns of institutional differentiation in higher education in five studied countries, post-socialist Central and Eastern European countries. Educational Inequalities in the transition from higher education to work should therefore also follow similar patterns in different countries. Empirical results show that the diploma is an important determinant of employment, the graduates of master occupying the highest position, followed by university graduates and vocational schools.(Noelke Clemens , Michael Gebel , Irena Kogan, 2012)

In one systematic comparative analysis (using data from 22 countries) of the consequences of labour market related fields of study, the conclusion was that the more university graduates are, the biggest differences in labour market opportunities for university graduates from different fields of study (David Reimer, Clemens Noelke și Aleksander Kucel, 2008).

According to Aceleanu, M. and Co. (2009): "the high rate of youth unemployment than other age groups and that the time required to find a job is even lower as the level of training is higher, diploma gives greater weight to early career than during it. Graduates of a master's program find employment faster than graduates of an undergraduate program. There are some data that the link between level of education and increased chances of getting a job. "Higher education graduates had to the total unemployed persons, only a share of 4.6%. It is clear that a high level of education act as a protective factor against unemployment. "(Aceleanu & Co. 2009).

In a longitudinal research it shows that individuals with high self-efficacy beliefs and better grades were less likely to become unemployed and more likely to be satisfied with their jobs. (M. Pinquart, L. P. Juang, R. K. Silbereisen, 2003).

Provided the discussions from the previous paragraphs we can develop several hypotheses concerning the integration of BA and MA graduates into the labor market.

Given that graduating from a study program involves a large investment with the expectation that one will find a job in the domain of the graduated field of study, one can expect that the level of satisfaction with the personal and professional development made possible by the University of Oradea is in positive correlation with the correspondence of the field of study of graduation and the domain of the current job.

Moreover, because of the depth of professionalization that a MA delivers, compared with BA programs and the requirements of the current, largely segmented, labor market we expect that MA graduates find more often jobs correlated with their credentials compared with their younger colleagues holding BA degrees.

3. Methodology

Our study has as population the graduates of the University of Oradea. It's a opportunity sample (self-selected) and comprises 529 people, graduates of programs at the BA or MA programs of the University of Oradea. Questionnaires were distributed online and submitted electronically by the subjects. Completion period was March 2013 to March 2014 and includes graduates of the academic years 2009-2013.

3.1. Results:

In the first part of the analysis we make a presentation of our sample, building from existing data a synthetic picture of the graduate of the University of Oradea: regarding their situation concerning variables of gender, marital status, education completed, if he/she holds a job, how long it took to find a job, satisfaction regarding the training provided by University of Oradea and the manner in which he obtained a job.

The second part of the analysis focuses on the correlation between the actual activity, graduated specialization and degree of satisfaction with personal and professional development opportunity offered by graduating from University of Oradea (UO); correlation between the domain of specialization and that of current job.

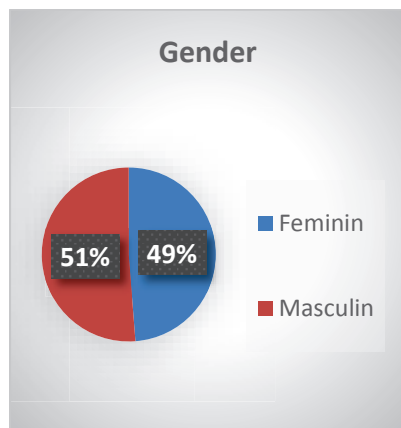


Fig 1: Percent of female vs. male

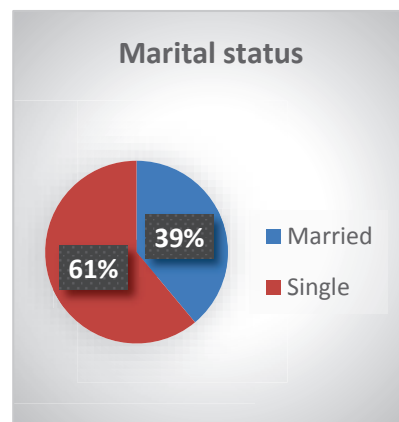


Fig 2: Marital status

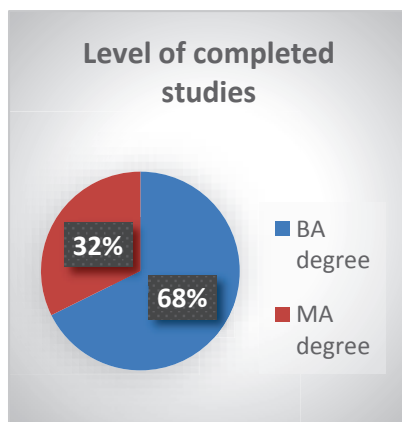


Fig. 3: Level of completed studies

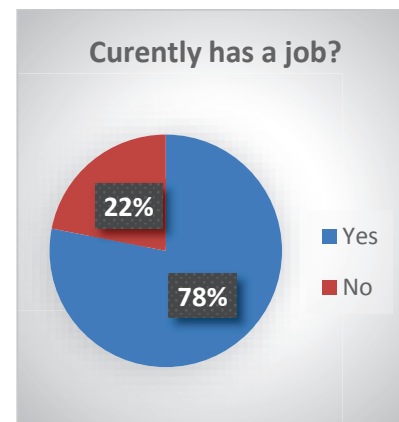


Fig 4: Number of employed graduates

The ratio between subjects who have a job and those who were not employed at the moment is 4-1. Proportion of those who have managed to find a job is satisfactory in view of the general situation of the Romanian economy and the issues of youth unemployment across European Union.

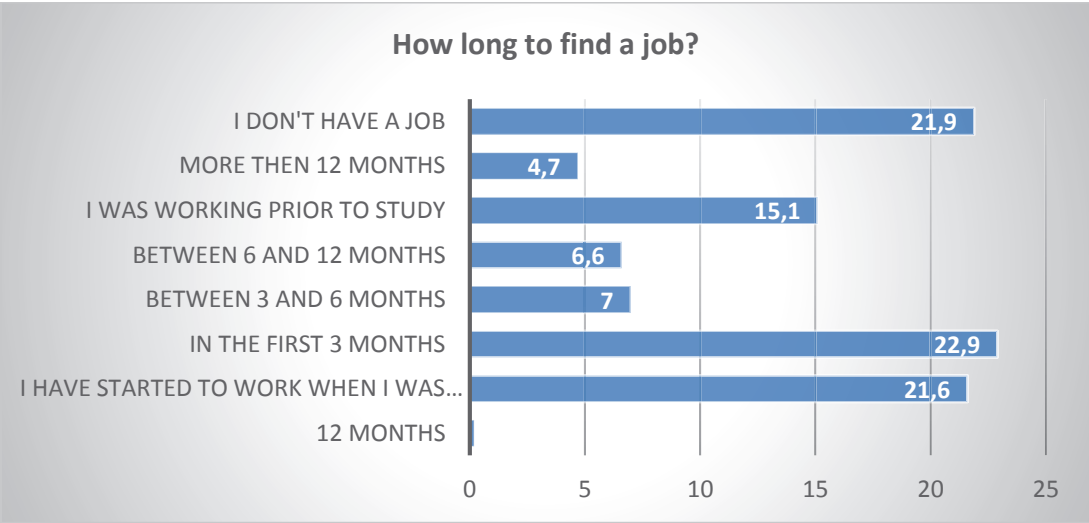


Fig. 5: *Period in which graduates find a job*

It should be noted that more than half of the subjects had a job before graduation (21.6%) or were employed in the first three months after graduation (22.9%). It appears there is a significant connection between practical experience before or during their studies and labour market success. The figures are comparable with data from similar studies in Europe. They show that only 6.6% of university graduates need more than 24 months to find a job (Aceleanu & Co., 2009).

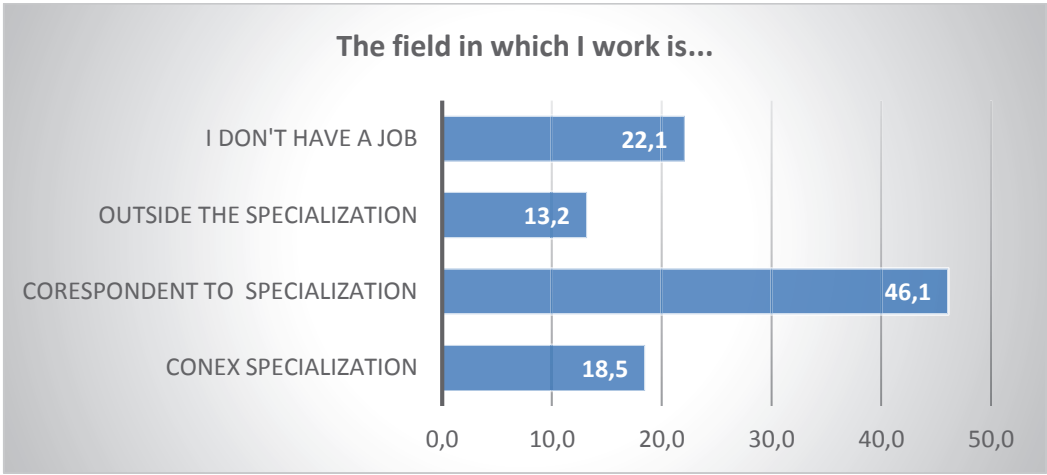


Fig. 6 *Domain of employability according to the specialization*

Most graduates working in the field of study (46.1%) or in related fields (18.5%).



Fig.7: *Level of satisfaction with the personal and professional development provided by UO*

More than half of the subjects considered as good (30.1%) or very good (23.4%) the professional development provided by the UO.

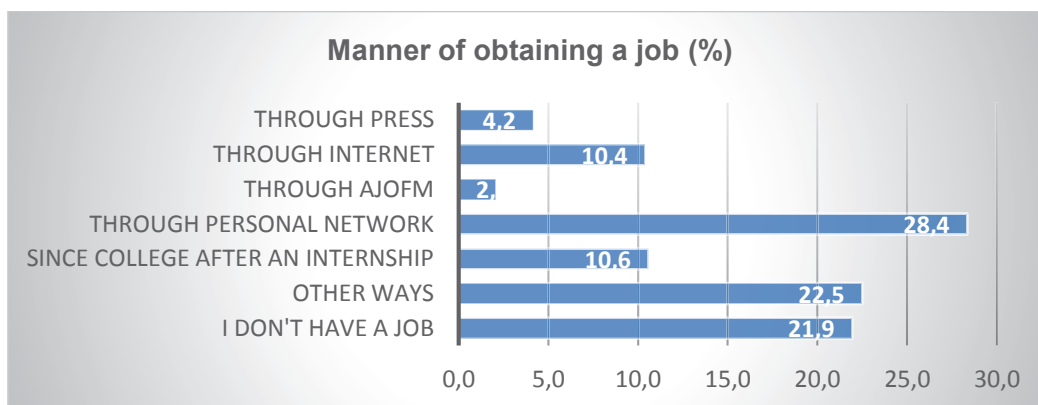


Fig. 8: *Manner in which graduates find a job*

3.2 Test of hypotheses

Level of satisfaction with personal and professional development opportunity offered by graduating from UO strongly correlated with the ratio of specialization / area completed and the current job. The vast majority of those working in jobs related to the field of study of graduation shows that level of satisfaction are more often good or very good, unlike the case of those working outside specialization which have a much higher level of dissatisfaction.

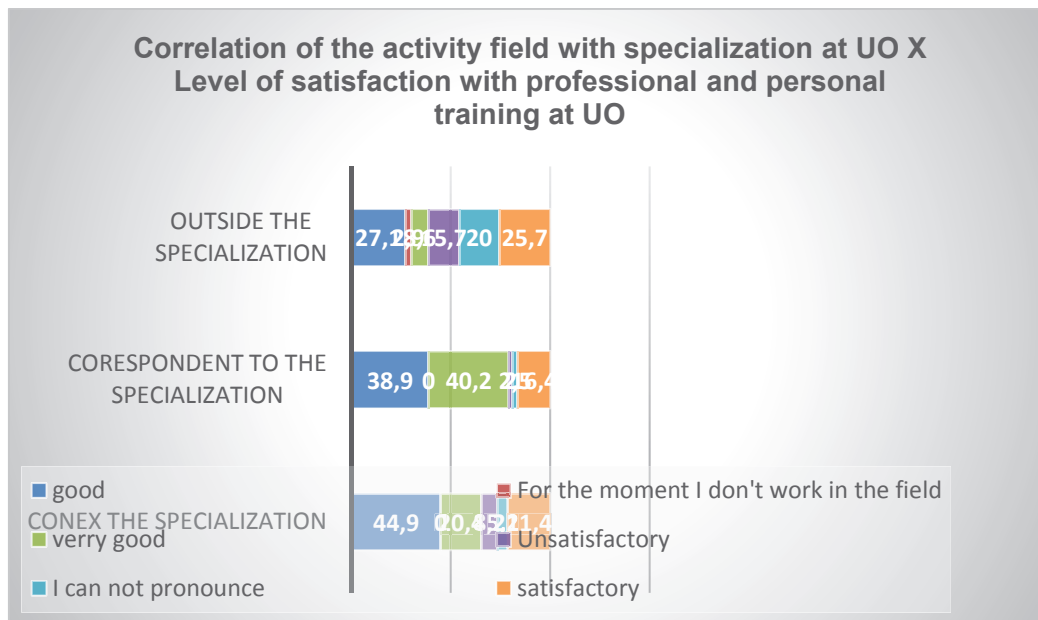


Fig. 9: *Correlation of the activity field with specialization at UO X Level of satisfaction with professional and personal training at UO*

Graduates of the master level studies are more likely to work in the areas of their graduation than the licentiates. It is unclear, however, if the graduate specialization is whether endogenous or exogenous to the job (if they followed a master program fit to the job or the graduated master's program helped them to find a job). Given that an overwhelming proportion master's students are employed, active people already holding a job; job endogenic hypothesis seems more likely.

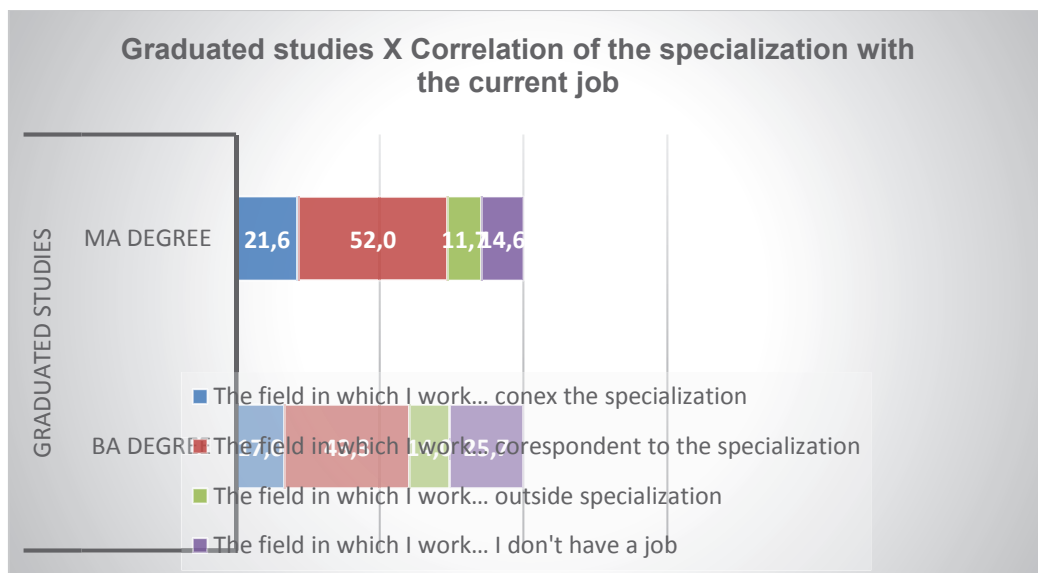


Fig. 10: *Correlation of the specialization with the current job*

To clarify the issue of the causal relationship between the program and the job completed we investigated period in finding a job and graduate program cycle, following the existence of a specific pattern on the employment before or after enrolment in a program of study.

Contingency table above shows several interesting things about the UO student's that completed our questionnaire and about their study programs:

- Taking into account the fact that graduates of BA programs do not have a job it turns out that 39.5% of BA programs' graduates did not really benefit from graduating, in sharp contrast with only 26.1% of MA programs graduates.
- A relatively high proportion of non-traditional students among the students that are the following programs at undergraduate level: 18.7% of them were working before enrolling in that program of study.
- Further data indicates that hiring is up to the master's program: only 7.6% of the graduates of the master states that were working that job.

4. Conclusion:

In our article we have investigated in a descriptive and explorative way the integration into the labor market of an opportunity sample of MA and BA level graduates of University Oradea who have completed an online questionnaire delivered at between 2012 and 2013. The socio-demographics of our sample of over 500 graduates suggests a very good representativity in terms of age, marital status and degree structure. Univariate, descriptive data show that most of the graduates of the University of Oradea either find a job before graduating, or get a job shortly after graduation or are still unemployed. Moreover, most of our subjects in our sample work in jobs in fields corresponding to the domain of their degrees and express a high or very high level of satisfaction with the personal and professional development opportunities provided by the University of Oradea.

In concord with our hypotheses, the correlation of field of study with the domain of the current job is higher in the case of MA level graduates and, moreover, predicts of the level of satisfaction of our subjects with the development opportunities (personal and professional) provided by the educational programs of the University. It is clear, therefore, that MA graduates are more grateful to the University performance than BA degrees holders. It is proven, therefore, that the assessment of the academic programs on behalf of graduates depends heavily on their successful integration in the labor market.

Acknowledgment

This paper has been financially supported within the project entitled „**SOCERT. Knowledge society, dynamism through research**”, contract number POSDRU/159/1.5/S/132406. This project is co-financed by European Social Fund through Sectoral Operational Programme for Human Resources Development 2007-2013. **Investing in people!**

References

Aceleanu, Mirela Ionela and co (2009) Insertion of young people into the labour market in the economic and social context of Romania, Bucharest: AGER, p.93;
Agnieryska Dudyńska, (2010), Transition from higher education to work, School of Economics and Management Aarhus University;
Hill, Carolyn and Holzer, Harry, 2007, Labor market experiences and transition to adulthood,
<http://www.google.ro/books?hl=ro&lr=&id=JMfq7aCcQEOC&oi=fnd&pg=PA141&dq=Hill,+>

Carolyn+and+Holzer,+Harry&ots=CbODx8BQIV&sig=bvBtRu4ol9EPn_cOol71ez8n5w&redir_esc=y#v=onepage&q=Hill%2C%20Carolyn%20and%20Holzer%2C%20Harry&f=false
<http://www.mzes.uni-mannheim.de/projekte/catewe/papers/paper9.pdf>
 Martin Pinquart, Linda P. Juang, Rainer K. Silbereisen, 2003, Self-efficacy and successful school-to-work transition: A longitudinal study, *Journal of Vocational Behavior*, Volume 63, Issue 3, December 2003, Pages 329–346;
 Noelke Clemens , Michael Gebel , Irena Kogan, 2012, Educational Systems and Inequalities in Educational Attainment in Central and Eastern European Countries, Central and Eastern European Online Library, <http://www.ceeol.com/aspx/getdocument.aspx?logid=5&id=e40bc39dc3a446bc9744505022566be3>
 Reimer, D., C. Noelke, et al. (2008). "Labor Market Effects of Field of Study in Comparative Perspective An Analysis of 22 European Countries." *International Journal of Comparative Sociology* **49**(4-5): 233-256.
 Rolf K.W. van der Velden, Maarten H.J. Wolbers, 2001, The integration of young people into the labour market within the European Union:The role of institutional settings, TSER Report project;
 Schoon, I., Silbereisen, R.K. (2009), *Transition from school to work: Globalisation, individualization, and patterns of diversity*, Cambridge University Press;
 Voicu, B., Tufis, C., Voicu, M., (2010), *Absolvenții recentii de învățământ superior și integrarea lor pe piața muncii. Un raport către ACPART*, București, România.