SESSION 2.
A STUDY OF THE PROBLEMS OF YOUTH EMPLOYMENT AND UNEMPLOYMENT – REGIONAL LEVEL

Research project, 2015-2017
Preventing Youth Unemployment in the Cross-Border Territories of Latvia and Belarus amid Crisis Recovery, with financial support from the BRFFR

Actors: The team at Vitebsk State Technological University, Belarus, in contact with the Institute of Humanities and Social Sciences at Daugavpils University, Latvia; supervised by Elena Vankevich
GOALS OF RESEARCH:

- Diagnose the problems of youth employment and unemployment in the cross-border regions of Belarus and Latvia;
- Identify the causes of youth unemployment, intentions and readiness to be employed, individual characteristics of young people conducive to successful employment (mobility, level of education, competence, growth ability, etc.), and necessary youth employment support measures by regional job market institutions.

HYPOTHESIS:

Information asymmetry in the regional youth job market and young people’s reduced competitive ability in the job market serve as the cause of a higher level of youth unemployment.
RESEARCH MODEL

Stage 1
- Goal Setting

Stage 2
- Data Source Selection

Stage 3
- Data Collection

Stage 4
- Data Preparation, Processing and Interpretation

Stage 5
- Conclusions and Recommendations
DATA SOURCES (3 DATABASES)

Data and sources used

1. Statistical data on the growth of the border areas of Latvia and Belarus (Vitebsk Region and Latgalia)
2. Results of surveys of youth, aged 15-29 and residing in the cross-border regions of Belarus and Latvia
3. Results of surveys of experts on the job market, employment, cross-border and international cooperation, and youth policy
1. STATISTICAL DATA

2. YOUTH SURVEY

3. EXPERT SURVEY

A comprehensive picture of the problems of youth unemployment and ways to reduce it
Basis:
ILO household survey methodology, World Bank economy and public health monitoring methodology, key methodological assumptions of labor economics and John Urry’s theory of mobility.

7 question pools (59 questions):

- **Pool 1**: respondent details
- **Pools 2-5**: employment and unemployment (employment status, job search, skills and qualifications, distance employment)
- **Pool 6**: the cross-border situation of the region and employment
- **Pool 7**: attitude to mobility abroad
YOUTH SURVEY

- **Population**: individuals aged 15-29 and residing in the cross-border territories of Belarus (Vitebsk Region) and Latvia (Latgalia)

- **Population size**: 282.4 thousand, including 226.7 thousand in Vitebsk Region, Belarus and 55.6 thousand in Latgalia, Latvia

- The sampling population was formed through random sampling without replacement. Its **size** in Vitebsk Region, Belarus is 307 respondents and in Latgalia, Latvia, 107 respondents. The confidence level of the calculations is 95% and the margin or error is ± 5%.
SURVEY OF EXPERTS ON YOUTH UNEMPLOYMENT PREVENTION IN CROSS-BORDER REGIONS

EXPERTS:

employees of public administration and local government bodies in the cross-border regions of Belarus and Latvia, concerned with matters of the job market, employment, cross-border and international cooperation, and youth policy
Stage 1: Goal Setting
Stage 2: Data Source Selection
Stage 3: Data Collection
Stage 4: Data Preparation, Processing and Interpretation
Stage 5: Conclusions and Recommendations
4. DATA PROCESSING

- SPSS Statistics (questionnaire data entry, processing and visualization)
- R-studio (econometric assessment of individual youth unemployment risk factors)
The survey placed the level of youth employment in Vitebsk Region at **36.8%** and unemployment level at **10.3%**, with **6.3%** among young people aged 15-24.

Among full-time students in Vitebsk Region, 43.3% had a steady job, 7.8% had occasional jobs and 8.5% only worked during their vacations.

Thus, we can note a fairly high level of youth labor participation.
INDIVIDUAL UNEMPLOYMENT RISKS

Linear regression model (logit model)
\[ z = 0.01 + 0.004x_1 + 0.002x_2 - 0.004x_3 + 0.002x_4 + 0.003x_5 - 0.001x_6 - 0.077x_7 + \\
+ 0.002x_8 - 0.007x_9 + 0.004x_{10} \]

Evaluations of marginal effects for the two alternative employment states

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Coefficient ( \beta )</th>
<th>Error</th>
<th>t-value</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Intercept)</td>
<td>0.001</td>
<td>0.360</td>
<td>0.003</td>
<td>0.998</td>
</tr>
<tr>
<td>( x_1 )</td>
<td>0.004</td>
<td>1.690</td>
<td>0.003</td>
<td>0.998</td>
</tr>
<tr>
<td>( x_2 )</td>
<td>0.002</td>
<td>0.718</td>
<td>0.003</td>
<td>0.998</td>
</tr>
<tr>
<td>( x_3 )</td>
<td>-0.004</td>
<td>1.402</td>
<td>-0.003</td>
<td>0.998</td>
</tr>
<tr>
<td>( x_4 )</td>
<td>0.002</td>
<td>0.967</td>
<td>0.003</td>
<td>0.998</td>
</tr>
<tr>
<td>( x_5 )</td>
<td>0.003</td>
<td>1.126</td>
<td>0.003</td>
<td>0.998</td>
</tr>
<tr>
<td>( x_6 )</td>
<td>-0.001</td>
<td>0.453</td>
<td>-0.003</td>
<td>0.998</td>
</tr>
<tr>
<td>( x_7 )</td>
<td>-0.077</td>
<td>5.765</td>
<td>-0.013</td>
<td>0.989</td>
</tr>
<tr>
<td>( x_8 )</td>
<td>0.002</td>
<td>0.614</td>
<td>0.003</td>
<td>0.998</td>
</tr>
<tr>
<td>( x_9 )</td>
<td>-0.007</td>
<td>2.609</td>
<td>-0.003</td>
<td>0.998</td>
</tr>
<tr>
<td>( x_{10} )</td>
<td>0.004</td>
<td>1.645</td>
<td>0.003</td>
<td>0.998</td>
</tr>
</tbody>
</table>

CONCLUSIONS
1. A woman is 0.4% more likely to become unemployed than a man.
2. Individuals with a vocational training are at a lower risk of unemployment than those with a higher education, by 7.7%.
3. A secondary vocational education reduces the risk by 0.1% as compared to a higher education, and a secondary education increases the risk by 0.2%.
4. An academic, economic or engineering degree increases the risk of unemployment by 0.2% to 0.3%, and a diploma in a scientific subject reduces the risk by 0.4%.
5. The likelihood of becoming unemployed is lower for young urban dwellers, by 0.7%.
## MAIN YOUTH EMPLOYMENT CHANNELS, PERCENT OF THE TOTAL NUMBER OF RESPONDENTS WITH A GAINFUL ACTIVITY

<table>
<thead>
<tr>
<th>Channel</th>
<th>Percent of total responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Post-school job placement</td>
<td>17.81</td>
</tr>
<tr>
<td>Help from relatives, friends, acquaintances</td>
<td>26.03</td>
</tr>
<tr>
<td>Independent efforts (via Internet, own business, direct application to a company’s or organization's human resources department)</td>
<td>35.62</td>
</tr>
<tr>
<td>Invitation from the company’s management or employees</td>
<td>8.22</td>
</tr>
<tr>
<td>Assistance from a public employment service or placement service</td>
<td>2.06</td>
</tr>
<tr>
<td>Assistance from non-governmental employment organizations</td>
<td>0</td>
</tr>
</tbody>
</table>
### Respondents’ assessment of challenges when looking for a job, percent

<table>
<thead>
<tr>
<th>Challenges when looking for a job</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of prior experience in the field</td>
<td>37.45</td>
</tr>
<tr>
<td>Gender-based discrimination</td>
<td>2.0</td>
</tr>
<tr>
<td>Age-based discrimination</td>
<td>14.35</td>
</tr>
<tr>
<td>Lack of relevant local openings</td>
<td>21.92</td>
</tr>
<tr>
<td>Employers’ reluctance to commit to providing guarantees and safeguarding the rights of a young professional</td>
<td>5.98</td>
</tr>
<tr>
<td>Inadequacy of competences and skills acquired in the educational institution to employers’ real-life requirements</td>
<td>6.38</td>
</tr>
<tr>
<td>Employers’ reluctance to invest in a young professional to build the right competences</td>
<td>5.58</td>
</tr>
<tr>
<td>No difficulties experienced</td>
<td>0.4</td>
</tr>
<tr>
<td>Other</td>
<td>3.59</td>
</tr>
</tbody>
</table>
ASSESSMENT OF KEY JOB MARKET ACTORS’ SIGNIFICANCE IN TERMS OF EMPLOYMENT SUPPORT

significance score on a scale of 5

- Companies: 3.56
- Educational institutions: 3.04
- Public employment agencies: 3.41
- Regional administration bodies: 3.41
- Recruitment agencies: 3
RESEARCH MODEL

Stage 1: Goal Setting

Stage 2: Data Source Selection

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Stage 5: Conclusions and Recommendations
<table>
<thead>
<tr>
<th><strong>ASSESSMENT OF NECESSARY FORMS OF EMPLOYMENT SUPPORT</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Educational institutions</strong></td>
</tr>
<tr>
<td>1. Advanced training and retraining courses (3.64)</td>
</tr>
<tr>
<td>2. Career and occupation counseling (3.46)</td>
</tr>
<tr>
<td>3. Meetings with potential employers (3.25)</td>
</tr>
<tr>
<td><strong>Companies</strong></td>
</tr>
<tr>
<td>1. Offline and online advertising, online job data bank (4.09)</td>
</tr>
<tr>
<td>2. More interest in student trainees (3.73)</td>
</tr>
<tr>
<td>3. Individual selection of employees for certain roles (3.62)</td>
</tr>
<tr>
<td>4. Partnerships with colleges, openness to students (3.59)</td>
</tr>
<tr>
<td>Qualities</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Soft skills (hard work, perseverance, diligence, responsibility, motivation, etc.)</td>
</tr>
<tr>
<td>Language skills</td>
</tr>
<tr>
<td>Interpersonal skills</td>
</tr>
<tr>
<td>Professional competence, professionalism, solid knowledge, experience, education</td>
</tr>
<tr>
<td>Advanced computer skills</td>
</tr>
</tbody>
</table>
RESPONDENTS’ ASSESSMENT OF SKILLS LACKING FOR SUCCESSFUL EMPLOYMENT, PERCENT OF RESPONDENTS

- Латгалия
- Витебская область

- коммуникативные навыки
  - 7.5
  - 44.9

- профессиональные навыки
  - 10.2
  - 44.9

- знания языков
  - 15
  - 27.1

- продвинутый ПК-пользователь
  - 21.2
  - 45

- Витебская область
  - 14
ASSESSMENT OF SOURCES OF NECESSARY SKILLS FOR SUCCESSFUL EMPLOYMENT, PERCENT OF THE TOTAL RESPONSES (N=307)
EXPERT ASSESSMENT OF YOUTH UNEMPLOYMENT FACTORS IN THE REGION, PERCENT

несоответствие подготовки кадров в учреждениях образования потребностям экономики
отсутствие отдельных структур, занимающихся трудоустройством молодежи
непривлекательность найма молодежи для нанимателей из-за необходимости обеспечения гарантий занятости и социальных…
пассивность молодежи в трудоустройстве, иждивенческие настроения молодежи
отсутствие у молодежи навыков в поиске рабочего места и трудоустройстве
отсутствие программ содействия занятости молодежи
последствия влияния мирового финансово-экономического кризиса на экономику региона
структурная перестройка экономики, связанное с этим закрытие производств и предприятий, их перепрофилирование
общие финансово-экономические трудности в стране, повлекшие сокращение рабочих мест
A fairly high level of student employment: 60.6% of young students in Vitebsk Region have full-time jobs or occasional jobs during their vacations or otherwise.

There is a group of NEET young people whose structure and causes are yet to be studied in Belarus.

The study confirmed the hypothesis about an information asymmetry in the youth job market due to an underdeveloped infrastructure of the market. Only a very insignificant percentage of young people in the cross-border regions look for and find work with the help of public employment agencies or recruitment agencies. Independent searching and help from parents or relatives prevail as key job-hunting paths, while other job market actors, such as public employment agencies or recruitment agencies, are not popular.

The hypothesis that youth has reduced competitive ability in the job market has been confirmed as well. A lack of prior experience, a lack of local job openings and age-based discrimination were named as the biggest challenges when changing jobs or finding employment. Employers’ reluctance to assume obligations when hiring young people and inadequacy of the knowledge and skills acquired in educational institutions to employers’ requirements were named by respondents as the fourth most significant challenge.

A need to build panel databases for analysis
PLANNED STUDY: INCREASING GRADUATE EMPLOYABILITY ON THE BASIS OF IDENTIFIED IN-DEMAND SKILLS AND CHARACTERISTICS

Goal of the study

- design guidelines on increasing graduate employability on the basis of identified in-demand skills and characteristics, using an analysis of the employability of graduates from VSTU, Belarus as an example

Project idea:

- track graduate employability using full-time graduates from Vitebsk State Technological University
- build a database on graduate employment results, their careers and career progressions, adequacy of skills and competences formed while at school to employers’ requirements, and the most successful ways of finding their first jobs and getting hired
- prepare analytical materials on employment of the University’s students, the most in-demand skills and competences, employers’ requirements, and successful ways of finding a job and getting hired
- designing recommendations for the school and its graduates on increasing student employability, enhancing the career guidance efforts and adjusting syllabuses and curricula with graduates’ and employers’ opinions in mind
- methodological and information support of the Career Advancement Center
Available data
- University (dean’s offices’) data
  - student list
  - individual characteristics: sex, age, marital status
  - grade-point average
  - graduate placement destinations
  - type of attendance: full-time or part-time
  - tuition financing
  - college location, etc.
  - resumes
- Data from online job portals

Future data
- Data on the graduate’s first job
  - level of compensation
  - adequacy of the job role to the level of education received
  - job relevant to the degree field
  - job search duration
  - etc.
The Center's goal is to promote the employment and successful placement of graduates and students.

In 2018, 226 out of 1180 graduates in 18 fields, or 67.3% of the total full-time graduates, were subject to obligatory job placement, and all of them were successfully placed and employed.

According to the 2018 data, requests for student placement were received from 49 base and 150 other organizations and companies. The University has entered into partnership agreements with 220 leading companies and organizations in Belarus.
THANK YOU FOR YOUR ATTENTION!