Graduates’ Perceptions on the Link between Higher Education and the Labour Market: Evidence from Greece and Cyprus

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The present study examines the labour market experience of employed higher education graduates in two European countries severely affected by the financial crisis, namely, Greece and Cyprus.

It aims at investigating the graduates’ assessment of, and satisfaction with, the link between higher education and the labour market. Specifically, graduates are asked to evaluate the contribution of their higher education studies to their employment and career prospects, through reference to the acquisition of specific skills and competencies.
The link between higher education and the labour market has been the focal point of higher education policy initiatives in many countries, especially since the advent of the financial crisis.

In this context, greater attention has been paid to the role of higher education institutions in providing their graduates with employability skills. Universities are expected to strengthen the employability of their graduates by providing them with skills and expertise valued and rewarded by employers. However, relevant research points to graduate employability deficiencies and mismatches between graduates’ educational credentials and the requirements of jobs (Allen & Deweert, 2007).

At the same time, a high incidence of graduate underemployment and unemployment is characteristic of many countries. This is especially the case in Southern European countries which have been hit hardest by the financial crisis, resulting in high rates of graduate unemployment and underemployment.
Many attempts have been made to identify key competencies that have an impact on the employability of university graduates. There is no consensus on a specific combination of competencies that will enhance employability in all regional contexts and labour markets. However, most studies point to the value of competencies linked to the social domain, with communication skills and ability to work with others emerging as important in all relevant studies (Teijero, Rungo & Freire, 2013; Tymon, 2013). Other important competencies include problem solving, leadership, self-confidence and self-management skills (Andrews & Higson, 2008; Kreber, 2006).

Thus, in addition to professional skills and knowledge, it is important for graduates to possess “soft”, “transversal” or “transferable” skills.
The Context

- Greece and Cyprus are two European Union (EU) countries which are among the hardest hit by the financial crisis.

- According to Eurostat figures, in 2013 the employment rate in Greece stood at 49.3%, the lowest in the EU (Eurostat, 2014). The youth unemployment rates in the country are among the highest in the EU as the unemployment rate for the 15-24 age group reached 53.1% (Eurostat, 2014).

- Cyprus exhibits better employment figures than Greece but as in the case of Greece, there have been dramatic decreases in employment rates: The employment rate for 2013 stood at 67%, down from 78.8% in 2003, while the harmonised unemployment rate for the 15-24 age group reached 35.4% (Eurostat, 2014).
Methodology

- Information on the employment experience of university graduates was collected through qualitative research.

- Specifically, in-depth semi-structured interviews were conducted in both Greece and Cyprus. In total, 58 interviews were conducted (39 for Greece and 19 for Cyprus).

- The sample was selected through criterion sampling since the individuals included in the sample were chosen based on their years of labour market experience. Most respondents (67.5%) had between 3 and 9 years of experience. This time range was chosen so that graduates would have some experience in the labour market and at the same time be able to recall the content of their university education and overall higher education experience. One in five respondents had less than 3 years of experience, while 12.5% had more than 10 years. All respondents were tertiary education graduates.
Findings

When asked whether they had faced unemployment after their graduation, about one in three graduates in Greece and one in five graduates in Cyprus said that they had. In most cases, the period of unemployment ranged from 6 to 18 months. Even though most graduates did not face unemployment, many faced underemployment in that they were forced to accept part-time jobs or jobs that were not related to their field of study.

I did not face unemployment but I was simply forced to get a job in an area that does not satisfy me. I did it just to have a salary. But it is not what I want to do...

(Female Cypriot, 7 years experience)
Findings

- Respondents were asked to rate the extent to which their job is linked to their university field of study. Most respondents pointed to a weak or modest link between the two. Many graduates drew attention to the fact that in theory, higher education and work are closely linked but in real life, things are very different, especially in a period of recession.

- Respondents discussed the extent to which knowledge acquired at the university was useful to them in their current job. In both countries, graduates were critical of the fact that the knowledge they acquired was not sufficient for the needs of employers. The main reason was considered to be the type of knowledge offered by universities, which was considered to be very general, limiting its applicability and transfer to the workplace.
Findings

- Respondents also discussed the extent to which non-knowledge skills and attributes acquired at the university were useful to them in their current job. Most respondents identified positive non-knowledge based dimensions of their university experience. Graduates in both countries emphasised the role of the university in enhancing certain qualities or competencies like independence, ability to manage time effectively, ability to plan effectively, ability to solve problems etc.

- The university has provided me with skills that are useful in my current job. For instance, it has helped me in my way of thinking, in being able to solve the problems I face and in general, it has taught me where to search for something when I need it.

(Female Greek, 10 years experience)
In another question, university graduates were asked to discuss the quality of the education they had received in relation to labour market entry and subsequent professional success.

In both countries, several respondents believed that their university education was of high standard and had a strong impact on their employment and success at the workplace. As put by a Cypriot respondent, “the degree opened the way to employment.” Others took a more neutral position, as was the case with a Greek graduate who attributed his successful labour market entry to “a combination of skills and luck.”

Negative assessments were mainly based on the graduates’ perception of a weak or non-existent link between higher education and employment. This perception was mostly based on dissatisfaction with the content of the higher education curriculum, which was again deemed to be theoretical and/or inappropriate.
Findings

- Respondents pointed to several problems they faced after labour market entry.

- These problems, which often resulted in a discrepancy between initial expectations and the reality of the workplace, fell into three main categories: **economy-related** (e.g. competition and unemployment; insecurity regarding future prospects); **employer-related** (e.g. heavy workloads, inability of employer to pay on time, lack of recognition by employer); and **university-related**.

- As regards the latter, graduates pointed to the fact that their higher education studies did not allow them to learn through practical experience and transfer this knowledge to employer organisations. The higher education curriculum was often considered narrow and theoretical, resulting in a limited, if any, correspondence between material taught and employer needs.
Conclusions

- The findings indicate that a large number of employed graduates in Greece and Cyprus had gone through a period of unemployment, while some were underemployed. Respondents in both countries reported a modest link between their job and their field of study, with the exception of graduates in specialised vocational fields such as teaching. Moreover, a modest relationship was reported between knowledge and non-knowledge based competencies acquired through higher education, and the requirements of the graduates’ job.

- However, most graduates were aware of the positive impact of higher education on competencies commonly linked to employability in the literature such as communication, problem solving, time-management and self-management skills.
Implications

- The experience of employed graduates points to the need for revisions in the higher education curriculum in ways that will better prepare higher education graduates for the realities of the labour market. There is a need to improve curriculum review processes in higher education to ensure that they not absent and/or superficial as is the case in other economically challenged countries (Hall & Thomas, 2001).

- The involvement of employers in the curriculum review process will enable higher education institutions to be aware of the needs of employers and follow trends and developments in the labour market.

- Moreover, higher education institutions should provide more practical training and applications that will promote the employability of their graduates, on the one hand, and facilitate their adjustment to the workplace, on the other. It is important that graduates develop the capability to acquire new knowledge and expertise and develop their flexibility in the workplace.