Higher Education and Employability: Graduates’ Labour Market in Southern European Countries

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Rationale Text: The massification of higher education (HE) brought in more and more frequent cases of unemployment or underemployment among HE graduates (e.g. Mok & Jiang 2018; Small et al., 2018), thus raising new questions about the capability of tertiary education to provide employability. To what extent does HE enable graduates to access appropriate jobs? What are the employment conditions in those jobs? And how are policy makers supporting the transition of graduates into the labour market? Those topics received large attention from research in recent years, for instance in the case of the US (Aronson et al. 2015), EU (Livanos & Nuñez 2016), China (Mok & Wu 2016), and Australia (Pennington & Stanford 2019). However, less attention has been paid to specific areas characterised by stronger youth unemployment and underemployment such as Southern Europe (Piasna 2018). In these areas the employability of younger graduates from HE may display peculiar dynamics also in the recovery from the Great Recession after 2008 and in labour markets slowdown due to the current pandemics. The papers proposed in this Symposium represent outputs of BRIGHTET, a research project on the employability of HE graduates that accounts for both the supply side and the more frequently neglected demand side of employability, with a special focus on Southern European countries. Paper 1 sets the policy background by examining active labour market policies targeted at HE graduates in Southern Europe. Two more papers focus on the job quality of younger graduates. Paper 2 focuses on Portugal to explain the evolution of the gap between younger and older graduates using an indicator of job graduateness based on the O*Net classification of occupations. Paper 3 compares the job quality of young graduates in Southern European countries during economic crisis (2011) and at the beginning (2014) and consolidation (2017) of the subsequent recovery. The overall goal of this Symposium is stimulating further discussion on the determinants of employability by providing new evidence on comparably less explored labour markets. Paper 1: “Young graduates’ unemployment and active labour market policies in Southern European countries”. Paper 2: “Graduates in graduate jobs? A comparison between younger and older graduates from higher education in Portugal” Paper 3: “Job quality of HE graduates: A comparison across Southern European countries”. BRIGHTET – “Bringing together Higher Education, Training, and Job Quality”, PTDC/SOC-SOC/30016/2017, financed by Portuguese Foundation of Science and Technology.
Linked Submissions:

Graduates in Graduate Jobs? A Comparison Between Younger and Older Graduates From Higher Education in Portugal (0240)
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Research Domain: Employability, enterprise and graduate careers (EE)

Paper Abstract: Graduates from tertiary education transformed the Portuguese labour markets in the recent decades. Private sector employees holding a higher education (HE) certificate ramped up from 8.5% in 2002 to 19.8% in 2017. However, in the same period the wage of HE graduates aged 24-28 plunged from 39% to 35% compared to graduates aged 54-58. Based on Quadros de Pessoal, an annual survey on Portuguese employers and employees, this paper explores what factors justify the declining returns to education for younger HE graduates. Besides taking into consideration employment quality, including employment and contractual conditions, the analysis accounts for work quality. A match with the US O*Net classification of occupations allows capturing the nature of tasks performed by older and younger graduates, thus measuring the graduateness of occupations. The results show that change in the occupation graduateness of younger HE graduates is a positive and significant determinant of change in relative wages.

Job quality of HE graduates: A comparison across Southern European countries (0271)
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Research Domain: Employability, enterprise and graduate careers (EE)

Paper Abstract: Employability skills enables young people to access jobs, while the employment conditions show the differences among skilled workers. This study examines the jobs of young graduates in Greece, Italy, Portugal, and Spain, in their transition into the labour market during economic recession (2011) and recovery (2014, 2017). Empirical analysis draws on EU-LFS data and applies fuzzy clustering to identify common job typologies. We found Precarious, Insecure, and Standard-like jobs. The former involves involuntarily short time flexible, temporary agency and part-time jobs, low wages, and graduates fear job termination. The Insecure cluster comprises voluntary and involuntary non-permanent full-time but long-term contracts, while Standard-like jobs provides stability, but graduates must do atypical work. The data confirm a convergence towards a non-standard job recovery but the distribution of graduates among job categories varies across countries. In Italy and Spain prevail Precarious jobs, while Insecure and Standard-like jobs predominate in Portugal and Greece.
Young Graduates' Unemployment and Active Labour Market Policies in Southern European Countries
(0632)

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Research Domain: Employability, enterprise and graduate careers (EE)

Paper Abstract: Youth and particularly graduates’ unemployment have risen in Southern European countries in recent years and policy makers have thus placed greater importance on employability. One important tool for addressing this issue is the implementation of active labour market policies (ALMPs). We analyse all ALMPs implemented in Portugal, Spain, Italy and Greece between 2000 and 2018. Our results show different strategies. While Portugal and Greece made graduates’ unemployment a top priority, in Spain and Italy this was not so. To explain these different approaches, the paper argues that the narrative around the transition towards a knowledge-based economy was more influential in some of these countries while in others, namely Italy and Spain, labour market policies were more aligned with the industrial sectors’ needs and tackling youth unemployment. All in all, this paper demonstrates that faced with similar problems, governments adopt different strategies, showing that national institutions play a key role in policy making which affect graduates’ employability differently.