

Labour market in the city of Split – participant's assessment of importance of education for employability

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Abstract

This paper is a result of empirical research done in the second largest city in Croatia. It was conducted by interviewing both employers and work contingent members. Results have shown us the differences among them when assessing some educational aspects. Employers more often appreciate a certain behaviour patterns and soft-skills which can be trained in schools. It seems that professional knowledge nowadays represents just one of many qualities required on labour market, especially due to increasing share of university graduates.

Keywords: labour market, education, soft-skills.

Introduction

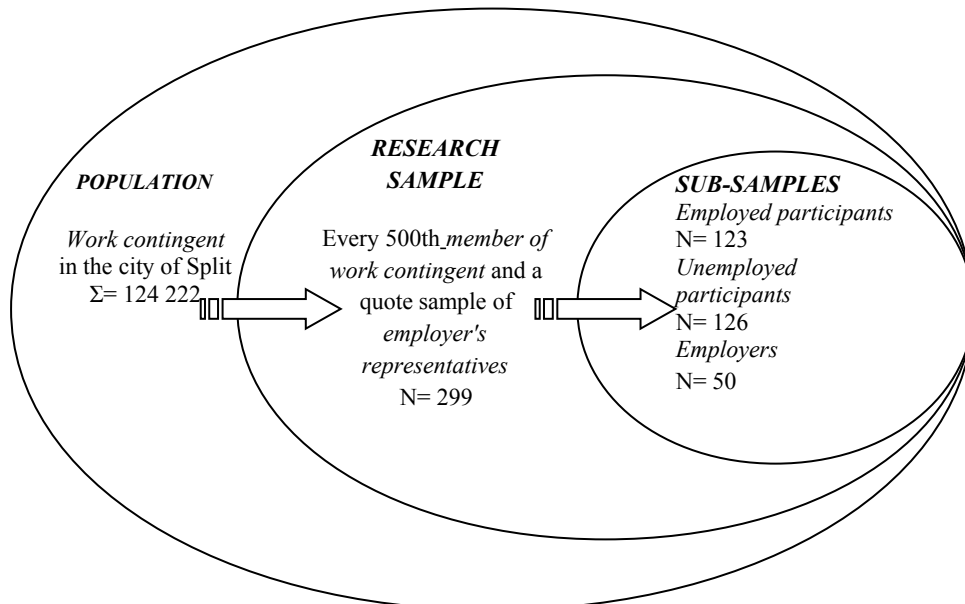
Our survival on Earth has its origins in ability to learn and to reproduce our knowledge when and how necessary. Today, when our survivor mainly involves earning money, relations between knowledge and earning seems to be more current than ever before. Contemporary scientific interest in education holds a premiss that “those who are better educated find job more easily, and are less exposed to risk to become unemployed.” (Babić, Matković et al., 2006). Many different conceptual solutions follow this premiss with the intention to adapt educational activities to modern trends (Framework for preschool education and compulsory general education in primary and secondary schools, The Bologna Declaration, The Lisbon Agreement, etc.). However, the need for practical adjustment of education to the demands of contemporary society still remains. Education can also be seen as a tool for spreading boundaries of sustainable development of certain societies (Swedberg, 2000). The importance of education for future development has become a common knowledge, therefore Croatia has decided to strive to become the “society of knowledge” because knowledge is the basic force for improving production and the main condition for success. Knowledge as a value, education as an activity and learning as a process have become the basic movers of development of Croatian society (National Curriculum for Pre-School Education, General Compulsory and Secondary School Education, 2008). In order to grasp education in a scientific manner, we face many methodological problems. It is becoming more and more obvious that education itself can be seen in many different ways. It has been emphasized as having multiplied meanings such as: education as institution, process, the content and result of organized and/or incidental learning. These result in gaining diversified knowledges, skills and habits as well as in developing cognitive abilities. (Vidulin-Orbanić, 2007, Adapted by: Mijatovic, A. (2000), Glossary of basic pedagogical concepts, Oedipus, London) Therefore, includes not only ongoing educational practice in schools, but also has a specific historical, political, social and

technological appearances and dimensions. These tangled characteristics which are all very relevant demand highly meticulous defining of research items, goals and other research specifications. Research presented in this paper had an intention to present the insight in practice and understanding the importance of education among labour market participants in the specific area. The city of Split as the second largest city in Republic of Croatia and the capital of Dalmatia County presents a very interesting research item for this matter, especially due to its economical and strictly social problems. This study intended to find out how local and regional communities stand against global trends in understanding and projecting labour market. Even within Croatian standards (which is heavily struck down by overall financial recession) Split and its associated county breaks all unemployment rates along with disappearance of many small family businesses and huge industrial companies. The last referential Popis stanovništva (2001.) shows there were 14,49% people in the city without conditions to gain any kind of qualifications through formal education.

1. Methodology

Results have been provided by empirical research conducted during July 2010 in the area of the second largest city in Croatia, the city of Split. Research objects were both primary and secondary data concerning education as a factor on a labour market. All the pieces of evidence were gathered and analyzed in order to learn the characteristics, perceptions and role of education in employment processes. Hypothesis presumed that all the participants see education as important for employability; therefore, that they will place educational factors on the top of the list of importance. Primary data were gathered by interview based on structuralized questionnaire that included a number of open - and close-ended questions. Every 500th work contingent member participated in research. This sample was random and proportionally stratified by their basic characteristics (employed/unemployed).

Figure 1. Formation process of the research sample and its sub-samples



Research sample also included 50 employer's representatives. This sub-sample was non-probabilistic, but the intention was to adjust it to variability of the main population. So, it includes different kinds of employers when it comes to size of company and their main activity. Special efforts must be done to include large firms to participate in researches, because they are expected to

have a great influence in forming trends with their approaches. Having in mind their influence on labour market trends, researchers should always try to include all distinguished enterprises within different business activities (Croatian Employment Service, 2002).

2. Assessment of various factors of employability (members of the work contingent)

The respondents from both subsets (contingent labor and employers) were offered a list of various factors that may affect the employability of individuals. List contained different kinds of external and internal factors among which were also those non-educational. The intention was to learn how do the participants scale different factors, and where do they place educational factors among others. Participants graded factor by their importance by using a 5-degree-scale. When scaling each factor, there was no statistically relevant co-relation detected between those who work and those who are unemployed, except when it comes to factor “cringing to employer during the job interview”. Those who are employed more often see this one to be important than those who are unemployed. Among the five most important factors for work contingent participants (among the total of 21 enlisted) two were extrinsic and three were intrinsic factors. It is also important to stress that among those five which are the most important, two were strictly connected to education (“occupational branch for which one was educated and the level of graduate obtained by candidate”). This shows us that accepting the fact that education has a certain influence on one’s status on labour market is common among people. It also implies that they are aware of different status of employment abilities among different occupational branches. Some other educational factors were also highly enlisted after being graded by work contingent members. “Demand for a certain profession” was ranged in 7th place, and “Additional qualifications (foreign languages, computer skills, etc.)” was ranged in 8th place. In the middle of the scale was factor “Willingness for gaining additional knowledge within profession and outside of it”.

Tab 1. Assessment of various factors of employability (work contingent members)

| <i>The most important 5</i> | | <i>The least important 5</i> | |
|--|---|--|--|
| Economic situation in the country | 1 | Candidate’s personal characteristics | |
| Previous work experience | 2 | Grades obtained in school/university | |
| Occupational branch for which the candidate has obtained the title | 3 | Bribing/corrupting employers | |
| Employer’s personal impression | 4 | Recommendations by previous employers/co-workers | |
| Degree/level of qualification | 5 | Cringing during a job interview | |

Among the least important factors for getting a job, they have placed the single one directly connected to education, “Grades in school/university”. This factor was the only exception among the educational factors. It only proves that grades are more often conditional toward extending education to higher levels, and less analogue with rising chances to get a job. It is a common conclusion that good grades do not necessarily provide a job. These findings do not surprise having in mind that there are still ongoing processes of defining the unified grading model and criteria (Penca Palčić, 2008) Nevertheless, it seems that work contingent members do not share the same opinion as policy makers who stress the importance of confirming the value of excellence in science and in general. This scale also shows that factors which have been recognized as the least important are mainly intrinsic. Factor which was identified as the most important was extrinsic. There is no dispute about the fact that the actual movements in economics define one’s status on the labour market. Earlier work experience is also expected to influence the ability to get a job, especially in occupations which demand complex knowledge and actions. Many of the new graduates with bachelor’s and master’s degrees don’t have the opportunity to practice and therefore to get more experienced. High levels of unemployed people might provide a larger pool for

employers to choose among them, and also to be more demanding when employing. But, despite this particular imbalance between demand and offer on labour market, employers are rather in demand for certain worker's characteristics which do not exclusively form during the previous work experience.

Employers were also offered with a slightly different list of factors. They were asked to scale those factors by matching them with grades the same way work contingent members did. It was their task to indicate which factors are important to them when employing workers in their firms.

Tab 2. Assessment of various factors of employability (employers)

| <i>The most important 5</i> | | <i>The least important 5</i> | |
|---|---|--|--|
| Responsibility | 1 | Personal connections | |
| Work-ethics | 2 | Willingness to perform below the level of qualifications | |
| Willingness to participate in a team work | 3 | Recommendations by previous employers/co-workers | |
| Appropriate occupational education | 4 | Gender | |
| Communication skills | 5 | Grades obtained in school/university | |

Most of the factors had a high mean values, which indicated their shared opinion that every factor has a certain importance. Three out of six factors connected to education were set in the upper part of the scale, and the best graded were "A certain occupational education" and "Willingness for gaining additional knowledge within profession and outside of it". In 6th and 7th place were settled „Properly assembled *Curriculum Vitae* and job application“ and a „Solid performance on a job interview“. When it comes to educational factors, in the lower part of the scale were "Additional foreign language", "University degree", and "Grades obtained in school/university". This shows us that the employers also don't expect grades to be analogue with one's knowledge and skills, or at least that the high-school or university curriculums do not provide scholars with knowledge and skills appreciated on contemporary labour market.

The most important factors are not all exclusively connected to education, but they might be seen as results of participating in educational processes. Responsibility, team work and communicational skills could also be trained through educational institutions and their curriculums. Schools could function as an environment which enhance responsible approach to and in which good communicational skills between superiors and peers are being practiced. Employers also stress the importance of well done self-presentation during job interview as well as well written *Curriculum Vitae* and job application. But senior students who will soon end up on labour market don't learn anything about it while they are still in school. The first registration on Croatian Employment Service also doesn't automatically include a brief class in which they will practice how present themselves to employer. It is also indicative that range of the factors „A certain occupational education“ and „Grades in school,/university“ do not depend on any particular characteristics of employers (ownership structure, number of employed workers, activities). These characteristics are also irrelevant when it comes to demanding eagerness for learning new things within profession and otherwise.

Although employers as well as members of work contingent assessed educational factors as pretty important for getting a job, it seems that the employers see certain crafts and behavioral patterns which are not *ad hoc* correlated to education to be even more important. This puts soft-skills on the top of the demand list. Certainly, it should be taken in regard and also applied in educational curriculums if possible. Labour market demands should be well analyzed, because the quality of human resources is defined by quality of educational system, investments in education and participation in it. Backwardness in educational system development and inadequate investments in human resource shaping might become restraining factor of long-term sustainable development of each country, which also includes Croatia (Babić, 2004, 29). HZZ¹'s strategic goals and priorities also include reducing imbalance between existing crafts and knowledge with those which labour

¹ HZZ – Croatian Employment Service

market demands, as well as increasing investments in human resources development (National Employment Plan for 2009. and 2010., 2009).

3. Educational system compatibility with labour market demands (participant's attitude)

There is no need to tell that changes in labour market demands do not depend on educational structure of population which is in particular obvious due to globalization processes in entrepreneurship. Many statistical analysis, scientific research and everyday experiences reveal inadequate know-how which we absorb during the educational process, as well as imbalance between purely theoretical knowledge and practically applicable knowledge. These indicators are rather disturbing for those who exist on labour market. The importance of each organization is valued by knowledge, skills and abilities which their workers own with regard to rest (Fadzillah, Jantan et al., 2004, 1). When it comes to formal education, some researches are quite disturbing. In 2005, around ¼ of high-school students claimed to have a certain problems with curriculum, and 68% admitted that they don't study regularly; 57% thought that many professors don't try enough to explain their lectures (Brlas, 2005, 62-64).

Employers and work contingent members were offered with a list of statements and they were asked to assess their accuracy, according to their own opinion. Work contingent members assessed all statements similarly and non-correlated to their employment status, except the statement "Schools/universities follow technological development" with which are more agreeable ones who are employed. Three statements were assessed as the most valid were: "Success in school does not guaranty one's success in professional life", „While looking for a job, resourcefulness, communicability etc. are more important than pieces of information gathered in schools“ and „Croatian schools/universities are better than those in neighbouring countries“. They have also assessed Croatian schools and universities to be at the same level of quality as schools and universities in European Union. It is obvious that work contingent members also recognize importance of certain soft skills, but they see those as personal characteristics of an individual rather than as result of educational process. They also can't see connections between school grades and successful professional career. It is common to lay down grades when applying to a higher level of education but it is not common or expected to write them down in a job application; in fact, standard CV and job application forms do not content rubric for this matter. Participants placed the statement "Schools/universities should organize training courses which sholud prepare students for labour market (practicing self-presentation on job interview, writing CVs and job applications, etc.)". Nearly ¼ work contingent members (24,9%) think schools and universities should prepare graduates for labour market by organizing informative classes.

Work contingent members assessed following three statements to be least valid: "If I had a chance, I would have chose another occupation", "Educational system keeps in track with trends in labour market demand" and "Schools/universities have good co-operation with entrepreneurs (apprenticeships, technology and knowledge exchange etc.). However, public educational institutions should try to move forward in incorporating scholar knowledge and entrepreneurial practice, especially in industries which include high levels of technology appliance. Investments in education might enable easier transition from simple production to production of highly developed products. More educated workers accept other technologies and develop their own more easily. (Bejaković, 2003, 182)

Choosing occupational education is often related to personal affinities of parents and students. However, today a strategic choice is also often included and it should guarantee a certain balance between personal affections and labour market demands. During this process, participants mainly lay responsibility on state as an important factor in public education domain. Free market and personal freedom to choose one's occupation collide with the intention to artificially form balance in offer and demand on labour market. Rather large disagreement with the statement "Educational system is in accordance with labour market demands" shows participant's opinion about public institution's responsibility for current trends on labour market. Employers share that opinion and agree with statement "Work practice requires knowledge and skills which can't be learned in school/university".

This is in accordance with 73,9% of work contingent members who believe that the government should determine quotas for each type of secondary public schools and universities. The same opinion is shared by 82% of interviewed employers. It implies that responsibility is partially shared which at the same time minimized personal responsibility.

During the past decades European Council also struck the importance of life-long learning (2004.), now being less biased and more strictly suggesting that all individuals should (or, to be exact, must) take a bigger part of responsibility for their own position on labour market. Word „education“ is now more often being replaced with „learning“. It suggests it's less formal and institutionalized form. This is a major turnover for ex-communist and ex-socialist countries in which the political state controlled the labour market and the educational. Each individual nowadays has to invent a personal educational and professional plan.

4. Self-assessment vs. employers' assessment - knowledge level and skills

Parallel analysis might identify possible differences in self-perception of those who offer themselves as workers on labour market and employer's perception of their qualities.

Tab. 3. Knowledge and skills assessment (employers and work contingent members)*

| | Employers (%) | GRADES | Work contingent members (%) | |
|------|---------------|--------|-----------------------------|------|
| Mean | 2,92 | | | 3,74 |
| Mode | 3 | | | 4 |
| | 6,0 | 1 | 2,8 | |
| | 26,0 | 2 | 5,6 | |
| | 40,0 | 3 | 24,9 | |
| | 26,0 | 4 | 47,8 | |
| | 2,0 | 5 | 18,9 | |

* knowledge and skills were graded on scale of five, where 1= insufficient, 5= excellent

Work contingent members graded their own knowledge and skills with average grade of 3,74 and the most frequent grade was 4. At the same time, employers graded them with average grade 2,92 and the most frequent grade was 3. This reveals differences in self-assessment and assessment from another source. A certain disproportion is obvious, therefore it is possible to conclude that there might be some self-deceitment or delusions among work contingent participants. It also once again points out the high demands of employers when assessing available supply against their demands. Along with this conclusion, another one also reveals itself. The necessity for life-long learning might not be enough appreciated among those who believe they were more educated and skilled than they really are. Nevertheless, this disproportion should at least be a matter for further discussions among those who participate in labour market shaping. Along with defining the overall assessment, there was also an intention to measure up the level of inadequacy in knowledge and skills of those who apply for job.

Tab. 4 shows employers are for the most part dissatisfied with the level of specific occupational skills and knowledge, as well as willingness to learn new things and communicational skills. Some of the skills (using foreign languages or computer programmes, e.g.) can today be learned by using web-tutorials. This enables users to lower their costs of self-improving while being unemployed. It also gives a chance for those who have left the school many years ago to cope with new arrivals on labour market basically for free. Except being within almost everybody's reach, e-learning also has other attractive dimensions; flexibility and motivation (Fedyunina, 2007). Soft-skills can't be taught unless it is being done in person, and learning is mainly neglected in process of formal

education. To adjust education to a new paradigm not only in employing and earning but also in life-style shaping in developed contemporary societies, it is most necessary to develop curriculums and educational strategies in general which are in accordance with world trends in this (Buljubašić-Kuzmanović, 2006. Adapted from: Šoljan, N. 2005 Svjetski razvoji u obrazovanju: izazovi hrvatskom školstvu, radni materijal Trećeg susreta pedagoga Hrvatske u Opatiji. Zagreb: HPD.)

Tab. 4. Employer's opinion on lack of knowledge and skills among those who apply for job

| Knowledge and skills | SHARE (%) |
|---|------------------|
| Specific occupational knowledge and skills | 32,0 |
| Willingness to acquire new knowledge | 24,0 |
| Communication skills | 20,0 |
| Foreign languages | 8,0 |
| Computer skills | 6,0 |
| Job appliers have all the skills and knowledge required for job | 10,0 |

Rising number of university graduates also influence on rising number of new, additional demands. Therefore, bachelor's or master's degree might be understood only as a basic occupational high-level education with plenty of space for extra improvement. Among the skills to be learned might also be soft-skills. Andrews i Higson put following soft-skills to be influential on ability to get a job:

- Professionalism;
- Reliability;
- The ability to cope with uncertainty;
- The ability to work under pressure;
- The ability to plan and think strategically;
- The capability to communicate and interact with others, either in teams or through networking;
- Good written and verbal communication skills;
- Information and Communication Technology skills;
- Creativity and self-confidence;
- Good self-management and time-management skills;
- A willingness to learn and accept responsibility

(Andrews J., Higson H., 2010, Adapted from: McLarty, 1998; Tucker et al., 2000; Nabi, 2003; Elias and Purcell, 2004).

Specific knowledge and skills required for work is constantly piling up for the major part of occupations due to a rapid technological development. Educational system should keep pace with these trends. At the end of the day, employers are those who are forced to deal with problem of inadequate knowledge, skills and occupational profile of those who apply. It means a certain financial investment in human resources development. Many firms do not have enough human or financial capital to apply these measures. Perhaps employers should think over about apprenticeship in co-operation with schools and universities. Gathered data show that only 26% of employers are experienced in organizing education for their employees and 14% of those practice in-house approach. Most of them (56%) also do not intent to organize educative classes for their employees in future. Employers rarely (22%) offer apprenticeships to students (mainly high-school students), and the majority (62%) doesn't intent to do it in the future. Nevertheless, there is a certain demand to remove the barriers between school and other parts of life, between schools and labour (Žiljak, 2004).

Conclusion

Research has shown that work contingent members as well as employers recognize education aspects to be important for employment. The main difference between those two is in understanding the importance of soft-skills and certain behaviour patterns appreciated in work environment. Although many see educational features as important for getting a job, school grades seems to be the least important for this purpose and are rather more influential in increasing or decreasing chances for further education.

It is no longer enough to have occupational knowledge but also the willingness to learn new things and practice new skills which also might be considered as a life-style features. Therefore, one should also be trained to work in a team environment, to have a certain communication skills, to understand the importance of liability in work environment and to be able to present himself/herself to employer. These findings imply that education policy makers should also improve hidden curriculum approach, as well as development of soft-skills training for students in order to improve their employability. By defining operative hidden curriculum, new generations of students should be more motivated to gain new knowledge, to learn constantly, to inform, to communicate with colleagues and superiors and to act responsibly. Candidate's inadequate preparation for successful self-introduction to employers also minimize their chances for employment. Further long-term labour market and educational process analysis should be undertaken in order to improve curriculums and student's preparation for work environment.

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