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# Factors defining competitiveness of graduates of the Ural State University of Railway Transport on the regional labour market

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Abstract: The objective of the study which the present research covers is the formation of competitiveness of young specialists in modern market conditions. To achieve this purpose the following tasks were accomplished: to estimate the labor market demand on professions got by university graduates, to analyse the main criteria for successful employment of young workforce, to describe the ways of cooperation between enterprises and higher educational institutions, to evaluate the level of professional preparation of the USURT graduates. While writing the authors mostly used 2 methods of research: comparative analysis (theoretical method) and experimental method (applied method). The authors collected the relevant practical data and estimated the results. The detailed consideration of the topic is of vital importance since it's determined by the recent tendencies of economic development in the sphere of both Russian markets, the labour and the educational ones.

Keywords: competitiveness, employment, young workforce, labour market, educational market

# 1. Introduction

Our future growth relies on competitiveness and innovation, skills and productivity. And these in turn rely on the education of our people (Julia Gillard). The following research covers the formation of competitiveness of young specialists in modern market conditions. The study is based on the example of training and employment of graduates and undergraduates at the Faculty of Management and Economics of the Ural State University of Railway Transport (Ekaterinburg, Russia).

The main objectives of the study were: to study the regional labor market demands on qualifications received by the university graduates;

- 1. to point out the main criteria for successful employment of former USURT students;
- 2. to touch upon the collaboration between potential employers and the USURT as a profile transport university.

The object of the research is young specialists and socioeconomic conditions influencing their employment. The subject matter of the study is competitiveness of young specialists on the regional labour market. The vital character of the research seems quite obvious. Modern labour market imposes competitive requirements on young people who enter it as independent individuals looking for a job. But having limited social and professional experience they represent a poorly protected social group and experience difficulties in the course of employment. In these conditions the problem of increasing competitiveness among youths in labor market requires an integrated approach for its study and solution. The novelty of this research consists in deepening theoretical and methodological data in the corresponding sphere. The theoretical and practical importance of the research lies in the field of further analytical development of problems in youth labor market and suggesting some measures to improve the situation in this economic segment.

First of all, it seems necessary to shed some light on problems concerning the formation of competitive specialists in the conditions of modern Russian economic situation. An effective solution to these problems will allow the whole country to develop and function productively. The requirements of labor market imposed on potential workers become more and more specific. Young specialists are forced not only to improve their higher education, but also to take additional courses directed to specialization and deepening of knowledge gained in the course of professional training. There is a gap between the quality of practical training of graduates and requirements of enterprises. It is partially caused by the development of new industrial technologies and rapidly changing economic situation. The interaction between enterprises and educational institutions is not fully effective and doesn't promote the formation of a competitive young expert. All this allows us to believe that the problem of employment of young specialists remain surgent on the nation-wide scale.

The issue is influenced by the following factors:

1. the growing number of youths addressing the employment service to be assisted in finding a suitable position;

- the decreasing number of work places (high unemployment rates)along with the considerable decrease of salaries;
- the increasing number of youths who are not taken care of by public educational and social institutions;
- the commercialization of vocational and higher education (on average every fourth student has to pay for his studies);
- 5. the falling prestige of specialized secondary education and vocational training;
- 6. inability of graduates to work in new economic conditions due to the lack of adaptation skills;
- the unstable character of employment (for example, military recruitment for young men, maternity leaves and child care for girls, postgraduate studies for both etc).

In other words, it's rather difficult to find a job according to the diploma, or to choose the one which will be demanded and well paid.Also it is necessary to state that a competitive worker's competences are formed and reproduced in two interconnected socially important markets - the education market and the labor market. Employers' demand for workforce is expressed by their subjective preferences. Therefore competitiveness of university graduates represents not only a set of qualitative characteristics necessary to make a specialist objectively superior, but also the ability to satisfy specific needs of the employer. Now in the Russian economy we observe an important conflict of interests of these two emerging markets. We notice the lack of adequate communication: the demand of the labor market and the offer of the education market do not correspond. The improvement in competitive qualities of the worker is possible if all the steps of continuous education and modern labor market are interconnected. To solve this task we need some complex methods, among which there is the development of theoretical and practical recommendations.

To improve the level of higher education we need to combine theoretical knowledge, professional competence and work experience at an early training stage. Students must be given a chance to work at a profile enterprise, design offices and research centres. Thus, they develop their practical competence. To improve the mechanism of integration of theoretic knowledge into practical work it's very important to study opinions of students and employers on the quality of specialists' training.

# 2. Results and discussion

Besides, in the conditions of growing competition in labor market, a modern graduate needs to have certain competitive advantages in order to apply for a good position with a good salary. So, mastering theoretical knowledge is not enough. In this regard, while preparing competitive experts it is necessary to consider employers' opinion whether competences required of a graduate are present in each particular case or not. After analyzing students' and employers' viewpoints we are able to compare the results. 51% of the interviewed employers consider the level of preparation of a modern university graduate as satisfactory, 37% consider it as good and only 9% as excellent and the rest 3%find this indicator unsatisfactory. As we see, most students are happy with the quality of their knowledge while employers don't show similar optimism.

Our survey held among undergraduates at the Faculty of Management and Economics of the Ural State University of Railway Transport has shown that 55% of respondents are sure that the specialty they have chosen will be demanded in labor market in the nearest future. 21% of students have no guarantee of employment after graduation, 0% of students consider themselves absolutely unprepared for work, 23% of respondents have a definite idea of their future job.



#### Fig. 1. Level of preparation of the graduate

At the same time, 19% of students of senior courses consider the level of knowledge gained in higher educational institution as excellent, 61% as good, 15% - satisfactory and 5% - unsatisfactory.

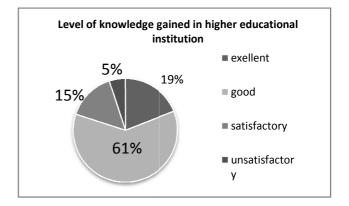


Fig. 2. Level of knowledge gained in higher educational institution

After graduation 81% of future specialists plan to work according to the profession. At the same time, in reality no more than 65% find a job that corresponds to their education. Employers give preference to graduates with the diploma of the specialist (37%) and only 15% feel the need for graduates with a master's degree. About 7% of employers hire bachelors. And for 35 % the fact of the applicant having any diploma of higher education doesn't play any role at all.

After graduation 35% of young specialists are sure of the long term successful employment, 65% do not estimate their chances of employment in modern labor market as good, 1% of respondents consider that they won't be able to get a job according to the profession.

More than 85% of the interviewed students consider that additional knowledge from adjacent areas of the profession is necessary for successful employment. They see a way out of this situation in taking supplementary courses. Many respondents plan to get a diploma of professional re-training or one more higher education. Making the decision to hire a young specialist, an employer considers a potential worker from the position of his having certain characteristics. And he pays attention to certain competences necessary for a university graduate.

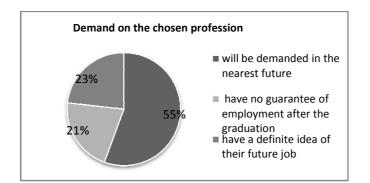


Fig. 3. Demand on the chosen profession

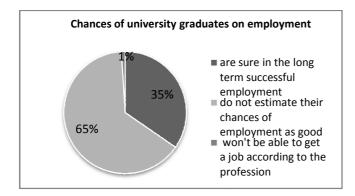


Fig. 4. Chances of university graduates on employment

About 37% of employers give the first place to personal characteristics such as the sense of duty, the skill to communicate, the ability for self-education, commitment, responsibility, etc.

The 35% consider professional qualities as the most important: the basic knowledge of the profession, the knowledge of computer technologies, the ability to work with the special equipment etc.

The 27% prefer business characteristics: the ability to make a decision, to establish business contacts, the ability to achieve goals, mastering of business etiquette, etc. It is interesting to mention the opinion of students in this respect.

According to 59% of students the most important competence necessary for a university graduate is professional knowledge. 25% give the first place to personal characteristics and 17% to business qualities. As we see, most of students are concentrated on professionalism while many employers don't consider this criterion the most important.

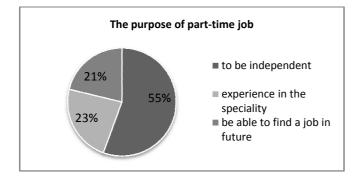


Fig. 5. The purpose of part-time job

The results of the survey held among undergraduates at the Faculty of Management and Economics of the Ural State University of Railway Transport have shown that 55% of students have part-time jobs to earn some extra money to be independent. 23% do it to gain experience in the speciality. 21% of the participants combine work with study because only in this way, in their opinion, they will be able to find a job in the future.

Most of students and employers are sure that the main important factor of successful employment is work experience, the second on the scale of importance is the diploma in the speciality. At the same time it should be noted that 97% of employers say that for a fast career promotion it is necessary to begin in student years, though while considering job applicants many of them give preference to experts with experience. So there is a paradox: the employer needs people with experience and the student doesn't have a chance to get it. He isn't chosen by the employer because of the lack of experience.

In our opinion, the system of well-organized work practice could solve this problemsignificantly: the student gets experience, and the employer trains the qualified specialist to satisfy his proper needs.

As for the existing system of interaction between enterprises and higher educational institutions, the results of our research reveal that only 31% of employers regularly cooperate with higher educational institutions. 27% are ready to do it only when there is a need for young specialists. 37% don't consider it necessary at all.

Those employers who interact with higher educational institutions carry out their cooperation in the following forms:

- 1. granting students an opportunity to pass an internship at the enterprise;
- 2. offering a position to those university graduates that the enterprise has already cooperated with;
- 3. advanced training courses on the basis of higher educational institutions;
- 4. participation in job fairs and career days held in higher educational institutions;
- 5. scientific and practical advice in students' research activity;
- 6. counseling and suggestinghigher educational institutionscurricula and programs.

For example, the USURT tries to work in close cooperation with the Open Joint Stock Company Russian Railways since its general mission is to prepare specialists for railway transport in the Urals and neighboring regions of Central Russia and Siberia.

Thus, taking into account all the data of the survey, we come to the following conclusions:

- 1. the modern employer needs experts with experience;
- 2. both employers and young applicants mention the importance of starting work in student years (as early as possible);
- the motivational components for employment of a young specialist mentioned by employers differ from students anticipations;
- 4. there is a professional disorientation of young workforce;
- 5. the disorientation is caused by the lack of access to reliable information about labor market demands and the career decision is often made intuitively and on the basis of fragmentary information.

According to the results of the sociological poll 35% of students have noted that they do nothing to increase their competitiveness. They leave everything to alucky chance. These data illustrates the fact that undergraduates do not think of the level of their competitiveness for the present moment.

Year	Speciality	Number of Graduates	Employment, Master Study
	Economics and Management on Railway Transport	41	41/42 (98%)
	Commerce (Trade Management)	14	14/ 14 (100%)
	Enterprise Manage- ment	35	35/35 (100%)
2014	Accounting, Analysis and Audit	9	9/9 (100%)
	Human Resources Management	18	18/18 (100%)
	Applied Informatics (in Economics)	8	9/9 (100%)
	World Economics	21	21/23 (100%)
	Economics	13	12/13 (92%)
	Economics and Management on Railway Transport	70	66/70 (94%)
	Commerce (Trade Management)	14	12/14 (85%)
	Enterprise Manage- ment	37	32/34 (94%)
2015	Accounting, Analysis and Audit	14	14/14 (100%)
	Human Resources Management	23	19/23 (86%)
	Applied Informatics (in Economics)	24	23/26 (88%)
	Logistics and Supply Chain Management	32	29/32 (90%)
	World Economics	28	27/28 (96%)
	Economics	67	65/67 (97%)
	Management	65	60/65 (92%)
	Commerce (Trade Management)	16	16/16 (100%)
	Human Resources Management (bache- lors)	17	15/17 (88%)
	Economics	153	145/ 153 (95%)
	Management	172	163/172 (95%)
	Human Resources Management	86	81/86 (94%)
2016	Commerce (Trade Management)	34	33/34 (97%)
	Tourism	11	11/ 11 (100%)

Table 1. The employment structure of graduates

About 13% of respondents combine work in their professional sphere and studies. The 37% of respondents earn extra money, but not in their speciality. This doesn't increase their competitiveness, but at the same time they acquire certain labor skills. Also some experience of activity in the labor sphere is formed. 51% of respondents don't combine work and study at all. It means that their idea of getting professional experience is theoretic and quite abstract.

What is the set of professional knowledge, personal features and professional qualities necessary to realize the potential in the conditions of market economy? During the conducted sociological research among students of USURT results have shown that the higher educational institution promoted the development of important qualities and traits of character. Priorities have been given to the following group of qualities - "independence, independence of thinking" (59%), "sense of duty, discipline" (55%), "desire to study" (51%), "creative approach" (37%). All these qualities in a varying degree help the young specialist to enter modern labour market. 81% respondents also note that the USURT has given the greatest help in their preparation as future experts in the field of vocational training. The following data show the percentage of graduates of different departments of the Faculty of Management and Economics who were able to find a job or enter postgraduate training.

## 3. Conclusions

It is possible to say that the main target which respondents set to themselves while entering a higher educational institution is just to acquire a profession (85%), and only 75% of respondents already assume to work in the speciality. The results of the research have allowed to formulate a number of ideas connected with the organization of educational process in higher education institution promoting formation of the competitive young specialist. First, during studies special attention needs to be paid to the contents of psychological and pedagogical supervision of students. Secondly, in the course of vocational training it is necessary to promote the ability to combine studying in higher education institution with work in the speciality, and whenever possible, to help with employment. Thirdly, for effective participation in social interaction and professional activity it's necessary to include contextual business games, situational and problem tasks into the educational process, and also it's desirable to acquaint senior students with real trends of the labour market. Fourthly, to become competitive, the graduate of a professional educational institution has to possess a certain set of personal traits. Fifthly, it is necessary to work in close cooperation with the employer for whom future specialists are prepared. In this aspect communication has to be carried out in all directions: conversations, debates, conferences, forums, after studies activities, aiming at the acquaintance with the specifics of the chosen profession.

To sum up, we will point out the main factors which promote the competitiveness of a young man as an active participant of the labor market: tightening of the family ties as the basic social institute where a person acquires social norms and values, the educational system promoting socialization of a personality, uniform social policy which would include employment and retraining of young workforce.

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