

# Towards understanding the factors affecting international graduate employability: the case of Finland

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DEHEMS conference, Vienna, Sept., 2011



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# Why a study on international graduate employability?

- Finnish policy to increase the no. of international students (by 85% by 2015) and make the labor market more attractive for them (in the view of ageing population)
- An introduction of a marketing approach to international higher education in Finland
- Challenges in recruiting international students when tuition fees are introduced
- Employment prospect after graduation as a key factor attracting students
- Little information concerning employment of international graduates' (educated in Finland)



# Theoretical perspectives on links betw. education and employment

- **Human capital theory** (Becker, 1964; Schultz, 1961) : education increases individuals' productivity -> job performance  
-> salaries
- **Signalling theory**: education only serves as a tool for job-seekers to signal their inherent ability (e.g. HE grads are more adaptive, motivated and have better learning skills)



# Criticisms in the context of cross-border education

- Human capital theory – salary expectations might have to be adjusted upon returning to home country, the need for cultural (re)integration may lead to disadvantaged position in the labor market
- Signalling theory – if employers are not familiar with HE in the host country – the signal will be weak, or there could be even difficulties with degree recognition (e.g. Erasmus mundus joint programs)
- Neither take into account the employers' beliefs or the external factors



# Definitions of employability

**Worldwide:** Employability as a measure of HE quality

**Institutional level:** as the set of outcomes of the universities' measures to enable graduate employability (rankings & evaluations)

**Employers:** the propensity of the graduate to exhibit the skills that employers find necessary for efficient functioning of their organization

**Individual:** as graduate's ability and skills to gain, retain and (when necessary) find new **fulfilling/satisfying** work -> job success criteria



# Job success criteria

- the smoothness of the transition from higher education to the labour market (duration of job search);
- income and socio-economic status;
- a position appropriate to the level and field of studies;
- desirable employment conditions (independent, demanding and responsible work); and
- a high degree of job satisfaction (Pavlin, 2010:5)



# Skills agenda

Employers agree that international education helps to develop:

- language and cultural skills
- professional skills adapted to national requirements
- deeper understanding and respect for global issues,
- more favourable attitudes toward other cultures,
- improved personal and professional self image,
- self-confidence, ability to handle ambiguity, insight into one's value systems and overall maturity.

But:

- In certain cases they may find international graduates overqualified
- Employability is not only about skill-job match
- Skills agenda provides little help in understanding the complexity of post-graduation career trajectories or the peculiarities of HE to work transition



# Types of HE to work transition

- 1. Standard or traditional**, - a short job search and substantial returns to education (high salaries)
- 2. Involuntary deviation from the standard** - prolongation of job search and lowered expectations about the quality of jobs and returning to studies as an alternative to being unemployed.
- 3. Voluntary deviation from standard** -return to studies after completing the first degree in order to enhance career opportunities or acquire new skills for a career change
- 4. Deviation from standard due to relative disadvantage** -a lack of formal and/or informal connections with working life; misguided job search strategies; becoming an 'eternal' student. (Lindberg, 2008)

Given the vulnerability of international students, we assume that they will use an array of coping strategies and mainly fall in categories 2-4



# The case of Finland

Finnish HEIs are chosen not for their reputation, rather students want to settle in the country

Other motives: Tuition fee free edu. and availability of courses in English

The unemployment rate of foreign-born graduates is twice higher than that of native born ones...



# Main obstacles to finding a job for international graduates in Finland

- Lack of Finnish/Swedish language skills
- Lack of work experience
- Limited access to the right networks
- Complicated bureaucracy related to residence permits
- limited career options/small labor market (Vehaskari, 2010, Kärki, 2005).



# Employers' perspective on international education

- Employers in Finland: positive only in work involving international operations. Otherwise – graduates with international experience were considered overqualified
- Finnish companies in China towards graduates educated in Finland: the study abroad experience is valued, but very few are hired for the lack of info & networking



# Hypotheses/assumptions

There might be variations of employment rate of international graduates between study field, level of studies, students' home countries, type of institution (University vs. Polytechnic sector), the country of employment (host country, home country or elsewhere), and the field of employment.

The following factors may affect the employment opportunities of international graduates:

- The initial motivation to move to the host country
- Certain skills developed during HE studies abroad, such as cross-cultural skills and language proficiency in English and, especially in the host country's language.
- The work experience prior to studies in host country or gained during the study.
- The degree of socio-cultural integration during the studies abroad
- The job searching techniques and access to information on employment through networks
- The availability and quality of student and career services

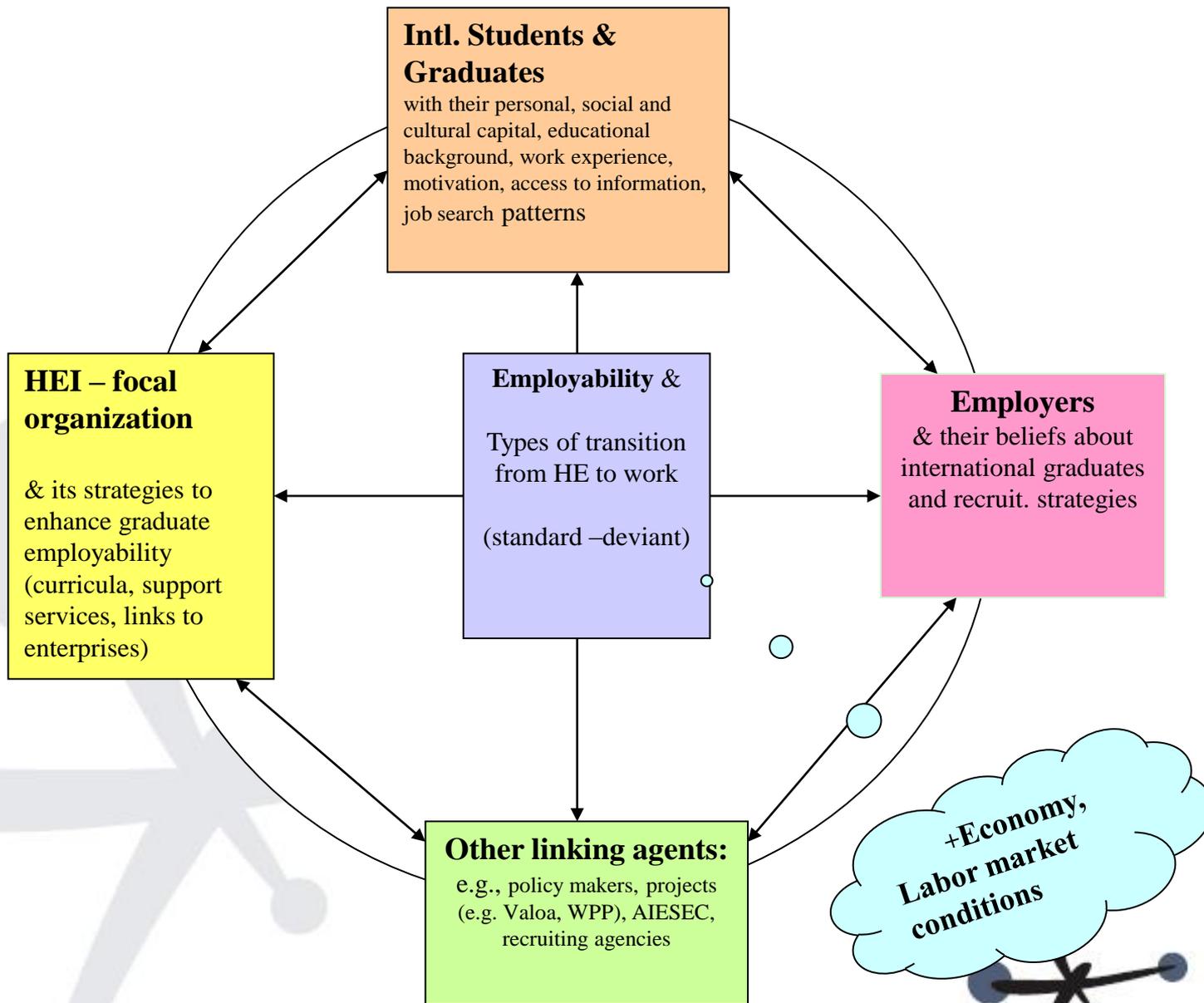
Given the difficulties of finding employment reflected in several studies of international students and graduates in Finland, we assume that one of the popular coping strategies of staying in Finland is taking up further HE studies, including 2nd Master's or PhD programs.



# Future research

- Multiple stakeholder perspective to find common grounds explaining the factors affecting international graduate employability
- *Mixed method: survey of graduates – to test hypotheses -> interviews with grads and employers - to explain the identified correlations-> HEI case studies (+interview with EU project managers) to see the state of art and develop recommendations on enhancing int.l graduate employability*





# Thank you! Danke! Kiitos!



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