

ISSN: 2357-1330

https://dx.doi.org/10.15405/epsbs.2019.04.27

# **CIEDR 2018**

# The International Scientific and Practical Conference "Contemporary Issues of Economic Development of Russia: Challenges and Opportunities"

# YOUTH EMPLOYMENT IN MEGALOPOLIS: REGULATION, MODERN TENDENCIES AND DEVELOPMENT MODEL

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#### Abstract

In the modern conditions of market economy, employment sphere occupies a central position in economic and social state policy, promotes the formation of youth living standards and social landmarks. According to the statistic data, in September, 2017, the youth unemployment (under 25 years) reached 21.5% of the total number of unemployed. Not every can find a job after graduation, because employers reluctantly employ people with no practical skills. Regarding lower competitiveness, greater geographical and professional mobility, larger share of informal employment, we can argue that problems of the youth employment differ from those of other groups. Massive unemployment among youth is a great problem for country due to young people' developmental characteristics, unstable mind, excessive ambitions of fresh specialists, juvenile maximalism and responsiveness. Young specialists are pride and hope of every developed state and, if that "hope" does not have appropriate social security, then "unattached" youth becomes one of the most significant threats to economic safety and social stability of country. Employment policy must be directed not only to the formation of a single network of data base on existing vacancies, but also to the increase of young people' awareness of employment problems, and the formation of the system of professional training and retraining of unemployed population. It is necessary to focus on the need for jobs, make centers for psychological counseling which would contribute to improving competitiveness and professional mobility.

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Keywords: Employment, labor market, megalopolis, social and economic partnership, unemployment, youth.



## 1. Introduction

Youth is a socio-demographical group, isolated on the base of multiple age criteria (from 14 to 30 years old); youth purpose is determined, considering the transitory stage of socialization, learning in the spheres of general education, culture and professional functioning. Society sets the goal to prepare young generation, so that they can understand and play the social roles of adults. Life events occurring at this age are:

- graduation;
- obtaining of vocational education;
- choice of vocation;
- marriage;
- childbirth, etc.

The special features of the youth employment market as a component of the national labor market are age, educational and professional heterogeneity of young citizens which manifest themselves in the following structural characteristics (Figure 01).

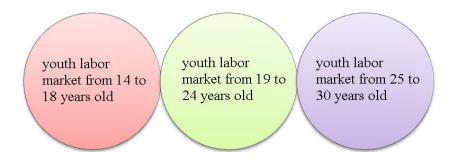


Figure 01. Classification of youth labor market

Another characteristic feature of the youth labor market is unstable demand and supply of jobs. It occurs due to constant change of youth professional priorities caused by social and economic uncertainty. Exacerbation of the situation occurs because of radical changes of sociocultural and political conditions of personal development; this, in its turn, leads to difficulties of vocational self-determination of young citizens. This can be observed in the sphere of students, when they sometimes pass from the category of economically inactive population into that of economically active, e.g. they can find jobs to pay for their University studies (Garrouste & Rodrigues, 2014).

The youth employment market is characterized by imbalance between demand and supply of jobs. More often, this is related to uncertain prognosis of future labor market conjuncture, unsatisfied labor conditions or low salary. The examples are professions of service sphere which are very demanded by graduates in the first time after graduation (Information on the employment of graduates of higher and secondary educational institutions in 2017, 2018).

In the conditions of big cities, main problems in the sphere of youth employment regulation are as follows.

Absence of sufficient information which would help to coordinate demand and supply of jobs.

https://dx.doi.org/10.15405/epsbs.2019.04.27 Corresponding Author: T. A. Evstratova Selection and peer-review under responsibility of the Organizing Committee of the conference eISSN: 2357-1330

- Low quality of jobs resulting in staff turnover.
- Required modernization of employment service functioning. Services and centers of employment take the responsibility of supplying jobs for young job seekers. Today, it is impossible to solve the problem of the youth employment without optimizing these institutions, providing information and free access to national data bases on vacancies and job seekers.
- Absence of developed system of criteria for evaluating the effectiveness of functioning of an employment center.
- Lack of effective programs promoting the youth employment.

## 2. Problem Statement

Despite the fact that there are intense studies on the youth policy and labor market, generally, problems of improving regulation mechanism of the youth employment in the modern conditions have not been studied completely, this constraining the implementation of effective practical measures in the key area of socioeconomic policy of solving the tasks of economic growth.

Problems of the youth employment in the terms of labor and youth unemployment are discussed in the works of foreign scientists Smith (1776), Marshall (1920), Samuelson and Nordhaus (1992), Gordon (1979) and others.

Methodological foundations of studying the youth problems are reflected in the scientific studies of Lisovsky (1996), Ruchkin & Babochkin (1998).

Problems of the youth employment in the terms of regional aspects are analyzed in the researches of Belov (1998) and Chukreev (2000).

Questions of regulating the youth labor market in the terms of using career guidance mechanisms, vocational self-determination, labor mobility are considered in the publications of Mkrtchyan (2000), Zheleznyak (2015), Kibanov, Lovcheva, & Lukyanova (2012).

In order to solve problems of the youth employment in the conditions of the megalopolis, it is necessary to develop measures which would help to maintain industrial complexes focused on vocational training for young people followed by their employment.

Practical significance of the article is that the conceptual results of the present study, both theoretical and practical ones, may be used to make effective programs of regulating the youth employment in the megalopolis.

# 3. Research Questions

- 3.1. How to promote youth employment?
- 3.2. What mechanisms of social and economic partnership should be used in primary and secondary youth employment?
  - 3.3. How to make a new institutional environment for the youth employment?

# 4. Purpose of the Study

The problem of the employment has always taken an essential place in state policy. Influencing development of the whole society, labor resources contribute to its prosperity and progress. The

employment sphere influences the certain natural position of a person in a social environment, giving him (her) the opportunity to fulfill desires and needs of his (her) family (Kibanov, Lovcheva, & Lukyanova, 2012).

More often, the youth unemployment manifests itself in the lack of demand for those specialties that young people get in educational institutions (Abasova, 2013). Studies show that most young professionals were forced to change their job profile to another because of impossibility of finding a job in their specialty. The problem of education quality is still current. The growth of the number of non-state educational institutions contributed to the number of young professionals with higher education which are obviously not demanded in the "oversaturated" labor market (Gladilina et al., 2016). The given fact makes us think about the development of measures for the interaction between higher educational institutions and business.

#### 5. Research Methods

The informative basis of the research are Federal Regulations, statistical data and informative analytical materials of state public institution of the city of Moscow "Youth Employment Center of the City of Moscow", Department of Labor and Social Protection of the population of the city of Moscow, articles of leading periodic editions, materials of scientific conferences and seminars, thematic web pages.

The theoretical methodological basis of the research are ideas and paradigms which were developed in works of leading domestic sociologists, philosophers, culturologists, economists, and lawyers. From the point of view of tasks set, fundamental approaches include institutional and sociocultural approaches.

Among individual methods used in the research, there are methods of comparative analysis, and typology, classification methods, questionnaires, methods of analysis of social factors and events.

The empirical base of the research consists of materials of secondary analysis of scientific literature, and sociological researches conducted by the authors in Moscow, 2016-2017.

In November 2016, the authors carried out the research "Youth Employment in Megalopolis", in the course of which 650 young people aged from 14 to 30 years as well as 400 employers were questioned. The purpose of the given questionnaire was to analyze parameters characterizing the situation of the youth labor market in the megalopolis, and chances for young people (schoolchildren, students, graduates) to find a job.

In 2017, the authors also carried out the sociologic research "Youth Career Guidance". 700 respondents, the 8-11<sup>th</sup> grade pupils, were selected. The leading method of the study was a questionnaire. The study carried out allowed revealing absence of clear understanding of future career choice and self-determination in most respondents.

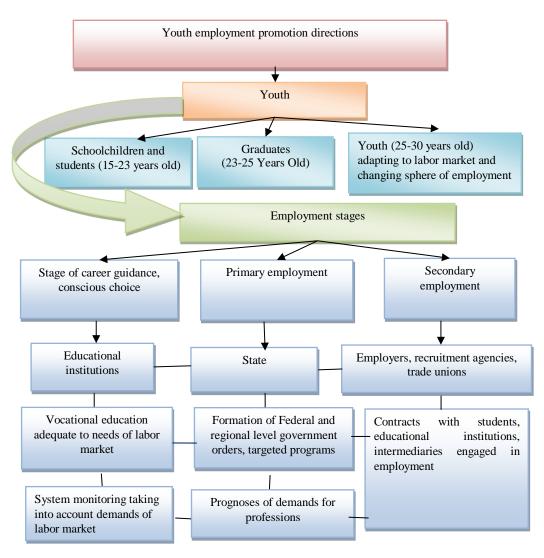
#### 6. Findings

To solve the problem of the young people employment is possible, using such technology as a social and economic partnership in the youth segment of the labor market. The given technology manifests itself in providing, accompanying and financing the job search and professional training of young specialists (Mishin, Aspen, Prokhorov, Tomilina, & Prokhorov, 2010).

Subjects of the given partnership of the youth employment market must include:

- state represented by legislative and executive bodies of the Federal and regional level, state employment services;
- educational institutions represented by school, colleges, universities;
- graduate recruitment centers;
- private employment agencies such as personnel and recruitment agencies;
- employees, employers (Mikhalkina & Seregina, 2014).

In this connection, it is necessary to isolate main directions promoting the employment (Figure 02). Forms of mediation may be as follows: direct recruitment assistance, protections, recommendations, search in social nets, mediation of public organizations.



**Figure 02.** Main directions of employment promotion

To achieve the most positive results in implementation of the partnership program, various means should be used for the primary employment and secondary one (Figure 03).

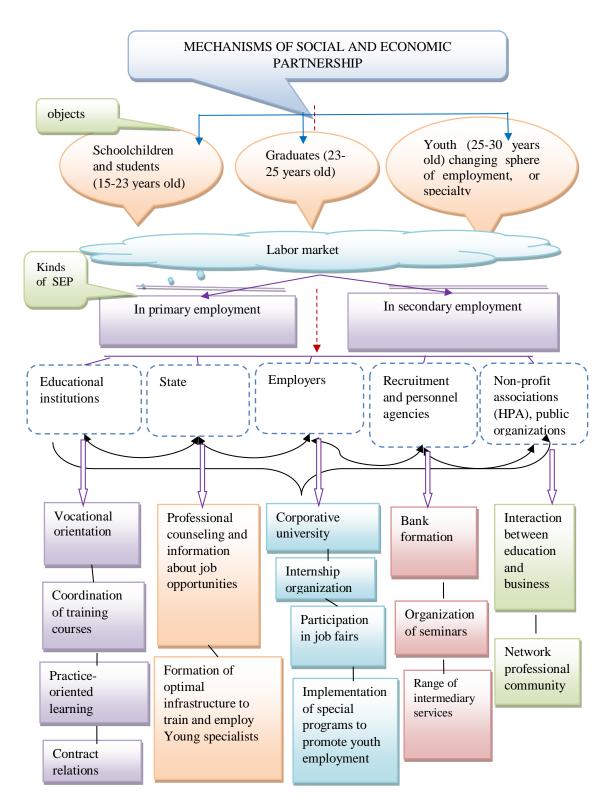


Figure 03. Mechanisms of partnership program

Developing the system of means to implement the partnership program, it is necessary to emphasize that, as a result, young people can gain sufficient professional experience before entering the labor market.

The system of such mechanisms must include the following measures:

special conditions of financing institutions promoting the employment of young citizens. State employment services may function as such institutions. In the given case, the special conditions of financing may be subsidies that will be given to unemployed young people after their actual employment for not less than 3 months, in order to promote their professional potential development;

- promoting special programs of providing employment for young people that are not included into the state list of citizens experiencing difficulties with job search. This population category includes invalids, orphans, minors, rural youth;
- improving youth employment procedure by means of a business-incubator, and diversification
  of the list of kinds of activities for small business subjects at the distribution through a
  business-incubator in order to promote youth business in megalopolises and other big cities of
  Russia;
- promoting business investments in innovative youth projects;
- forming charitable foundations that are capable to help young people to find a job and improving the set of measurements to encourage charity of this kind.

The given measures can be added with address programs that can increase the chance to obtain jobs in individual segments of the youth labor market. Alongside, it is necessary to take into account principles of social and demographic division of the youth market.

In order to increase the effectiveness of measures promoting the youth employment, in the conditions of the megalopolis as well, it is necessary to create a new institutional environment of the youth employment, the foundation of which must be formed by a modified behavior of economic agents specializing in the field of the youth labor market (Vinichenko, Frolova, Kabanova, Kozyrev, & Evstratova, 2016).

An institutional environment means the combination of prior social, political and legal norms, with the help of which the borders of an institutional arrangement can be determined.

Schematically, the behavior of young job seekers and employers in the labor market within the institutional environment can be represented using Figure 04.

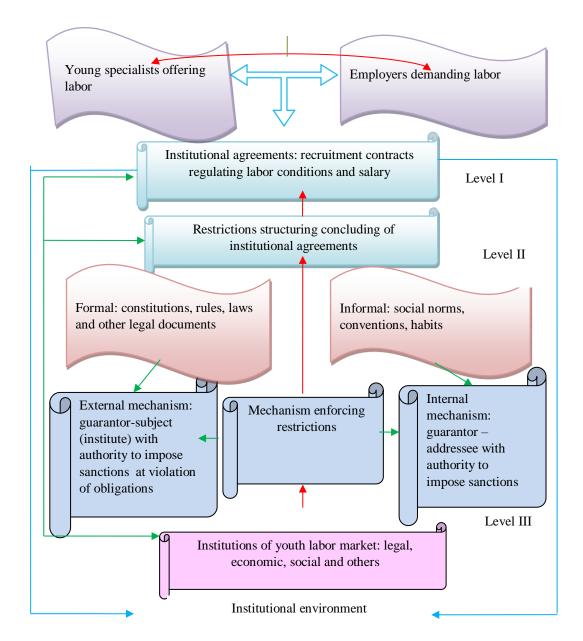


Figure 04. Scheme of institutional environment of youth labor market

The given scheme shows in what way young specialists, and graduates can interact with employers by means of concluding contracts, agreements at the first level. The second and third levels determine restrictions and mechanisms enforcing them. Thus, it is evident that the basis of the institutional environment is formed by:

- social life of the society with its rules and norms;
- political sphere;
- legal regulations.

Functions of the institutional environment include:

 association of all spheres of vital activities, including social and labor ones, to provide the employment of young people, support them, make favorable conditions for the development of professional potential (Zheleznyak, 2015);

 protection of young specialists against infringement of their labor rights in the process of working activity.

Such approach contributes to forming legal, economic and other foundations to provide the effective employment level in the youth labor market. This will favor the progressive steady development of the youth as a strategic resource forming the modern economy.

A special role in this process is assigned to municipalities, as it is in them that a large number of training and educational centers and institutions determining social and professional goals are concentrated.

In Moscow, a new direction to improve the youth employment is volunteer activity. Department of Labor and Social Protection of population of the city of Moscow has collaborated with the volunteer movement and supported it. A goal of such collaboration is to give chances to young citizens to acquire professional experience, skills and new competencies thanks to the participation in volunteer activities (Evstratova et al., 2016).

A volunteer starts his (her) professional activity as an ordinary participant performing specific tasks assigned to him. However, at this stage young people gain new competencies.

Specifics of volunteer activities implies that volunteers can perform different functions in different conditions. Therefore, before the volunteer takes over his (her) duties, he (she) must be selected, so that the organizers can determine the functions that the volunteer can manage. To detect those functions, volunteers are to be questioned, for further training according to the results of the questionnaire.

Sometimes, events, within which volunteers must act, are specific. For example, participation in the events for disabled persons (invalids) requires for the volunteer to be skilled in communication, and health care. Along with the development of tolerance and human qualities, the volunteer acquires skills of solving various non-standard problems. And most importantly – the volunteer studies to take responsibility for his (her) own actions.

# 7. Conclusion

The youth employment in the modern world is a key problem in the policy of any state. The youth employment is regarded within the whole youth policy as an important direction of developing the Russian society. The employment of young citizens is a complex multi-aspect problem being solved at the inter-institutional level, as it influences many spheres of human vital activities, such as population social protection, education, culture, sport, etc.

The youth labor market of the megalopolis has its own specifics which includes the high level of concentration of low qualified labor resources little demanded by employers, the low level of competency of young specialists, while employers have high demands. The lack of practical experience during the course of training is also an obstacle to the employment (Simonin, Sokolova, Bogacheva, Alexeenko, &

Vetrova, 2016). This situation can be explained by the concentration of educational institutions in big cities, where there are masses of young people wishing to get a satisfying job.

The above described practical solutions presented in the form of a partnership program were proposed as recommendations for improving the processes of the youth employment regulation in the megalopolis. The model of partnership program mechanisms was presented for this goal.

Also, we suggested developing a new institutional environment for the youth employment based on the formation of a modified economic behavior of agents specializing in the field of the youth labor market.

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https://dx.doi.org/10.15405/epsbs.2019.04.27 Corresponding Author: T. A. Evstratova Selection and peer-review under responsibility of the Organizing Committee of the conference eISSN: 2357-1330

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