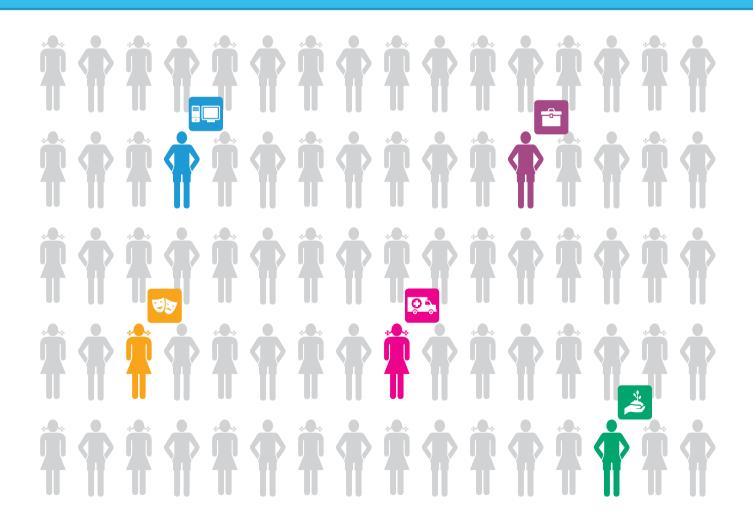
# The issues of youth employment in the RA

(review of the findings of the sociological research)



# Youth events holding center Youth Studies Institute

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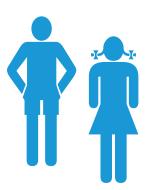












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This report contains the review of issues around youth involvement in the RA labor market and raises issues regarding the match between the capacities of the young people and the RA labor market demand.

The work is intended for appropriate departments of the RA Government, youth organizations, experts interested in youth issues and a broad audience of young people.

The research is based on the study of public opinion.

### **Acknowledments**

Youth studies institute of Youth events holding center thanks the RA Ministry of Sport and Youth Affairs and UNDP for their assistance to the research. The research team is also grateful to the interviewers, young people participating in the research, employers and experts for their support in this work.

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### Introduction

Young people are the most important socioeconomic potential of the society, since the future developments largely depend on the social orientation of young people and their involvement in various sectors of societal functioning.

According to the RA State Youth Policy Concept young people are those representing the 16-30 age group of the population. The number of young people in Armenia is 804,205 making up around 27.9% of the population.

Employment is an activity associated with the satisfaction of personal and social need. In this regard, the issues around youth employment seriously impact not only the economic sphere, but also the development of the society in general. Along with the increasing number of young people not employed a "not rational employment structure" emerges in the society resulting in more intense societal issues, such as decline in general motivation, etc. The issue becomes more pressing in post-Soviet societies, where structural changes have led to the change in the employment structure, in the economic development vector and the link between the development of human resources and their demand in the labor market. Hidden employment and hidden unemployment grow, the structure of demanded and offered professions transforms in the labor market. So, in the context of employment in the society, the young people constitute one of the more vulnerable groups. A large amount of data can attest to it.

Official records show that only 29% of young people in Armenia are employed. Given that this is th time to get professional education and the fact that education and employment are not always combined, only 35% of young people between 20 and 24 and 52% of the young people between 25 and 29 are employed.

It is noteworthy, that the share of young people in the economically not active population is increasing in the RA. According to 2012 Expectations and Aspirations of Young People in the RA report<sup>2</sup> 25.7% of the young people hold a paid job, while the figure for 19-23 age group is 22.3%, and for 25-30 age group it is 39%. According to the same report the issues of education and employment are cited as important among young people.

<sup>1</sup> RA NSS data, http://armstat.am/file/doc/99471438. pdf

<sup>2</sup> UNDP, RA Ministry of Sport and Youth Affairs, 2012, Yerevan

It should be noted though that despite the obvious relevance of the issue it is not appropriately investigated in the RA. Although some research covering this issue is available (such as "RA labor market research", 2007, "Armenia National Youth Report", 2011, "Review of the State of Youth Employment in Armenia", 2013, RA MoLSA), the methodological basis of the mentioned studies needs further reasoning (particularly, the rationale behind the sample, grounds for analysis, the formulations of the questions presented). The data presented are also not adequate to offer a true picture on the current state of affairs and come up with practical recommendations to solve the issues.

In fact, the importance of state regulation of this issue is stressed in "RA Employment Strategy 2013-2018" concept proposed by the RA Ministry of Labor and Social Affairs. The significantly above average rate of youth unemployment has prompted the design of reforms to stimulate employment of young people and other not competetive groups, which are however of rather general nature. This study was carried out to make the interventions by state and other beneficiaries and stakeholders more targeted, called-for and efficient. It also

sought to outline the key issues and hear the opinions and experience of all parties involved in the issue of youth employment. This study will lead to the design of comprehensive recommendation packages which will be shared with the state bodies and young people, as well as those structures (education or nongovernmental), that can somehow influence the solution of this urgent issue.

<sup>3</sup> http://www.mss.am/up/MAR45-9.pdf

### Dear reader,

The Republic of Armenia Youth Policy Strategy 2013-2017 has prioritized the "Employment and socio-economic issues of young people". It is certainly no coincidence. Employment is the key social institution. When it comes to young people the issue is even more important since it substantially affects the development of self-identity for young people, their perception of societal sub-systems and planning of their future. In addition, the mentioned issues seriously impact not only the economic sector but also the development of the society.

Back in 2010 the UN Secretary General Ban Ki-moon had noted in his report on Millennium Development Goals that employment continued to be one of the pressing issues faced by the world. According to the report over the recent years the unemployment rate has reached its highest mark, 211 million people.

According to the data of the National Statistical Service of the Republic of Armenia for September of 2011 the unemployment rate among young people of our country was 27.8%, bearing in mind that nationwide this figure was 20.7%. This means that utmost attention should be paid to the youth employment issue, given that along with the growth in youth "non-employment" a "not rational employment structure" emerges in the society. This leads to a greater decline in the level of general motivation among young people and the various social issues become more pronounced. Actually, the issue becomes more relevant in post-Soviet societies, where structural changes have led to the changes in the employment structure, the economic development vector and the link between the development of human resources and their demand in the labor market.

At different times certain research was carried out in Armenia regarding the employment. However it lacked a comprehensive analysis on youth employment and this issue was discussed only partially. For this reason, the board of the Youth Research Institute has prirotized the preparation of a comprehensive report on the youth employment for 2013 which is presented for your review.

The report seeks to present the overview of the employment issue, the correlation between the system of education and the labor market. In addition, the employment issues of young people with disabilities are discussed separately.

We hope it is useful and interesting to a broad audience and will be happy to hear their concerns, remarks and recommendations regarding the issues raised in the report.

Sincerely, A. Karamyan,

RA Deputy Minister of Sport and Youth Affairs

# The aims and objectives of the research

The key aims of the study:

- To analyze the issues of youth involvement in the RA labor market,
- To raise the issues of relevance of competencies of young people in terms of the RA labor market demand.
- To develop a comprehensive framework of recommendations regarding the solution of the above-mentioned issues for the beneficiaries.

### **Research Methodology**

In order to achieve these aims a comprehensive problem-oriented research<sup>4</sup> was carried out.

A comprehensive quantitative and qualitative research was performed applying the following 5 methods of information collection:

#### 1. Review of documents

Documents concerning youth employment were reviewed, including:

- Available statistical information on youth employment,
- RA legislative and normative acts regulating youth employment and work relations.

 Youth reports and reports on research carried out by various structures (state, non-governmental, international).

### 2. Expert survey

Experts were selected through snowball sampling.

At the first stage in order to ensure type representation, experts engaged in youth affairs in the following sectors were selected:

- scientific sector,
- administrative sector,
- social sector,
- · civic sector,
- human resources management sector

At the saturation stage the selection was made from the list of potential experts through the "snowball" method.

20 expert interviews were held.

# 3. Unstructured interviews among young people in the RA

1578 young people participated in the study with 41% of them being male and 59% female.

The total sample was made up of 2 sub-samples:

- Main representative sample for RA young people,
- Representative sub-sample for young people with disabilities

<sup>4</sup> Research of this type is different from academic research that mainly seeks to confirm or reject a hypothesis. The primary aim of the problem-oriented research is to collect information in order to come up with practical solutions to the existing problems.

### Main sample

The selection of young people was performed through four-tier layered cluster sampling. The main population represents young people between 16 and 30 residing in Armenia. Given the desirable sample representation, the sample volume was 1200 items. This volume ensured 3% margin of error of the entire sample based on 0,95 confidence interval. Multidimensional layering by the following criteria was performed:

- regional-administrative division (marz),
- size of populated places,
- population type (urban, rural).

**Tier 1** The selection unit is the populated place. The selection of the area from each layer was made by probability sampling.

**Tier 2** Through simple probability sampling the starting points of the route were selected in each populated place, based on the RA population address list.

Tier 3 Households were selected. For each route through systematized probability sampling the residential unit (multi-unit buildings) or the house (for single-family houses) was selected. The final selection of the unit with a young person was made by the "nearest unit selection" technique.

**Tier 4-** the respondent was selected. For households with several young people the "closest date of birth" technique was employed.

#### Young people with disabilities sub-sample

The sub-sample volume was 378 items, securing a 0,05 margin of error based on 0,95 confidence interval with regard to young people with disabilities residing in the RA.

It was advisable to apply the layered subsample accompanying the main sample. The layering was planned according to regional-administrative criteria, and the distribution was directly proportional to the population size of each populated place. Final item selection was made by the "snowball" technique. This selection method allowed us to adjust the number of items in the sample by the distribution of target items in the populated places.

# 4. In-depth interviews among the RA employers

In-depth interviews were held with RA employers. In the scope of this sample the concept of "employer" is broad. It is the person, who performs the function of hiring and dismissal and provides compensation to the people employed.

Sampling of companies by type was performed based on independent criteria.

Groups by type were selected by the following criteria:

- Area: marz.
- Populated place. city, village,
- Sector, by the sector classification in the state registy,
- Legal status,
- Size. large, medium, small

Each group is represented by at least 10 companies.

101 interviews with employers were conducted.

### 5. In-depth interviews with key informants

Key informants were selected through targeted sampling by type. The types of respondents were selected according to the main stakeholder groups: the RA Ministry of Sport and Youth Affairs, RA Ministry of Education and Science, RA Ministry of Labor and Social Affairs, National Youth Policy Council by the RA Prime Minister,

- State Employment Service, employment centers.
- Institutions of higher education,
- NGOs, associations, analytical centers, engaged in youth issues (also representing ethnic minorities and with special needs)
- international organizations engaged in youth issues,
- representatives of active initiative youth groups,
- Organizations providing continuing education,
- Human resources management association,
- Union of manufacturers and entrepreneurs (employers) of Armenia

57 interviews with key informants were held.

### Key definitions

**Young person:** Citizens of the Republic of Armenia between 16 and 30 years of age

**Employment:** in the scope of this research **employment** is perceived as work activity performed by the respondent at the time of the survey, that generates monetary or non-

monetary income for this person. So, even the work performed on own land generating income in the shape of the crop and used to satisfy own needs is considered employment, and the young person employed. We do not count in the young people performing a mandatory term service in the RA Armed Forces, as well as those enrolled in an academic institution at the time of the survey.

**Non-monetary income:** in scope of this research non-monetary income generated from work activity that can be converted into money, as well as be used to satisfy own needs of the person working.

**Permanent employment:** performance of job duties at the given employer for an indefinite term. The end of the term indicated in the contract does not imply dismissal.

**Temporary employment:** employment that is not of permanent nature: the employer and employee make an agreement regarding the performance of job duties and timeline.

**Seasonal employment:** employment associated with a certain time period recurring each year.

**Sporadic employment:** one-off employment arrangement under which the worker performs job duties receiving certain compensation for the work done.

**Formal employment:** work activity that is registered by tax, statistical and other state authorities.

**Non-formal employment:** work activity that is not registered either by tax, or statistical and other state authorities.

**Unemployed:** Here we use the standard definition from the International Labor Organization (ILO) stating that in order to be considered unemployed one shall meet all of the following conditions for the period of four weeks prior to the research (including the week studied):

- a) did not hold a job (gainful activity),
- b) actively looked for a job, that is applied to the state and private employment services, looked for a job through personal connections and relatives, used or placed announcements in the newspapers, on websites, directly applied to the employer, used personal connections, took steps to start own business (sought space, equipment, raw materials, finances, applied to the authorized state agencies to obtain permission, etc.) or by any other means,
- was willing to take up employment immediately (within the following two weeks).

**Young person seeking employment:** Young people holding or not holding jobs at the time of the survey who were looking for a job.

**Economically active population:** the sum of the 15-75 year-old employed and unemployed, which made up the labor supply for the production of goods and rendering of services in the period researched.

**Economically not active population:** people from 15-75 age group who for the period researched were neither employed nor unemployed.

Economically not active population is made up of the following groups:

- full-time students,
- homemakers,
- pensioners (age, health, preferential),
- other people who do not hold a job.

**Discrimination:** creation of unequal opportunities in different areas of living for people with certain properties. In the scope of this study **discrimination** as a phenomenon is discussed only in the work relations.

Young person with a disability: Those RA citizens of 18 to 30 years of age who were assigned a disability type and grade by the medical-occupational expert commission of the Ministry of Labor and Social Affairs, as well as those citizens who do not have such a grade but their physical and/or emotional state prevents their full employment. This means that the person regards himself/herself as having a disability.

Workplace adjustment standards for people with disabilities: Workplace adjustment to meet the needs of the person with a disability by making the work activity of this person as safe and efficient as possible.

**Labor market:** area where supply and demand for labor are formed.

**Number of years employed:** in the scope of this study the number of years for which the young person considers himself/herself employed. In this case the figure may not match that actually recorded in the labor book.

**Paid worker:** a person, who receives monetary or non-monetary compensation for the performance of his/her job duties from the employer.

**Self-employed:** an individual, who personally gains monetary or non-monetary income from work activity, and the income depends on the level of the workload.

**Sole proprietor:** an individual who has the right to carry out an activity on his behalf and at own risk seeking to gain income from the use of propety, sales of goods, performance of works or rendering of services, at that without setting up a legal entity.

**Employment contract:** employment contract is an agreement between the employee and the employer by which the employee is obligated to perform work associated with a certain profession and requiring certain qualifications adhering to the work discipline set at

the workplace. And the employer is under the obligation to provide the job stated in the contract, pay the salary determined for the work performed and ensure work conditions stated in the RA legislation, other normative legal acts, the collective agreement and agreed by parties.

**Verbal agreement:** verbal agreement between the employer and the employee regarding job duties, conditions, size of compensation and other questions. This does not constitute a legal basis for the parties and does not guarantee the observance of the provisions of the agreement and obligations arising as a result of non-observance.

**Job fair:** a platform connecting the employer and the jobseeker, where the employers present their organizations, vacancies, and the jobseekers have the opportunity to look at the vacancies offered by many employers.

**Youth organization:** An organization based on a charter and other legal foundation engaged in addressing issues faced by young people. These can be non-governmental and governmental youth organizations:

**Work abroad:** in the scope of this research a person's visit abroad for work purpose only.

**Distant learning:** educational process through internet sources, in which the learner gains the knowledge through internet sources and the communication with professors as well as evaluation is carried out on-line without required direct personal interaction with the instructor.

**Internship:** opportunity to apply the knowledge and skills gained during the learning process from the instructor, organized by a professional academic institution.

**Training:** Active learning method, aimed at development of knowledge, competencies and skills

**Skill:** activity, developed through repetition into a mechanical action.

**Competency:** a way of performing an action formed by combining knowledge and skills.

**Knowledge:** a subjective picture of reality in the shape of concepts and perceptions.

### Review of findings

### Overview of RA youth employment

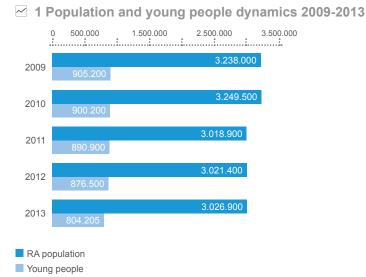
In order to fully cover the overview of RA youth employment let us present the findings of the previous studies, official statistics and the findings of the research carried out by the Institute.

A great deal of research has been carried out in Armenia regarding employment, also covering the issues of youth employment. Studies on employment in particular were done, as well as issues of alumni employment and unemployment were discussed in the framework of research on professional education.

In the course of comparative analysis of the findings of these studies we come across a number of methodological obstacles. First, the definitions of young people differs in studies: for some of them it is the 16-30 age group, for others the 18-30 age group. Some of the studies treat college students separately as a sampling population (e. g. the RA National Youth Report, 2011). The next methodological problem is the definition of the concepts of the employed and unemployed. Part of the studies use the RA official definitions while others turn to the definitions used by international organizations.

Keeping in mind the methodological factor we will summarize the findings of the previous studies. According to the RA National Youth Report 2011 the 48.7% of young people (18-30 age group) are employed. The findings of 2012 research on "Expectations and Aspirations of Young people in the RA show that only 26.7% of the young people (16-30 age group) were engaged in work providing income or volunteering during the research.

### General statistical data on young people in the RA



Under the "RA state youth policy concept" the 16-30 year-old representatives of the population are considered young. As per the RA NSS data the number of young people in Armenia is 804,205, that is around 27.9% of the population. Official data tell us that females among young people make up 51%, that is 408,219, and males 49% or 395,986.

The findings of the research show that, the confidence interval for distribution of young people in the RA by gender is 38%-44% for males and 56%-62% for females given that the margin of error of the sample does not exceed 3%. The deviation of data in the study from the official statistics is due to the fact, that males serving in the RA Armed Forces, as well as young people who have emigrated from the RA were not included in the sample.

According to RA NSS data the education status of the young people looks the following way: 22.1% of the young people have completed higher education, 50.4% have completed secondary school education, part of which is in the process of getting a higher education. 0.3% of young people have not received elementary education (Figure 1.1).

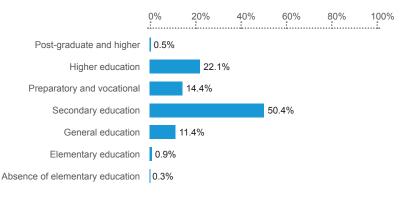
In the scope of the study the group of young people that is presently not in education, employment, or training (NEET) and whose members are not seeking employment,was also discussed. The issues of this group of young people and solutions to them are addressed in European and Asian countries<sup>5</sup>, but in our reality this group is not studied yet.

### **Employment in the RA**

Employment is the main way to ensure standards of living of the population and processing and consumption of state resources. Several agencies are engaged in the study of the issues of employment and solution to them in the RA. These are:

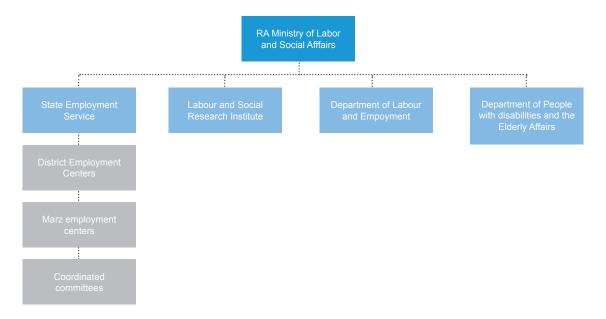
- The RA Ministry of Labor and Social Affairs.
- The RA Ministry of Sport and Youth Affairs,
- The RA Ministry of Education and Science

∠ 1.1 RA population education figures, source www.armstat.am



<sup>5</sup> http://www.eurofound.europa.eu/pubdocs/2012/54/ en/1/EF1254EN.pdf

∠ 1.2 Departments and agencies engaged in the study and solution of employment issues



**DEC Director.** "For our efficient work we lack a well-rounded understanding of the labor market both on the local and republican levels. We have a serious lack of information and for that reason the academic institutions fail to regulate the process of preparing professionals. In the first place we need to carry out an inventory".

**DEC Director.** "This is a very good program, but there are employers who keep the employee with a disability for a year, warn the other employees to be patient for one year and upon the expiration of our contract simply dismiss the person with a disability. There is nothing we can do about it."

The structure of the Ministry of Labor and Social Affairs includes the Department of Labor and Employment, the Department of People with disabilities and the Elderly Affairs. The State Employment Service which is represented in all districts of Yerevan and all RA marzes, capitals of marzes and large cities through its centers is in charge of addressing the issue of employment of population carrying out its obligations assumed by the state: arranging courses, internships, acting as a mediator between the employer and people seeking employment. Job fairs are organized in Yerevan and marzes and information on them is provided through the State Employment Agency website. After the fairs a monitoring is also performed to determine the project efficiency. The RA Ministry of Labor and Social Affairs also implements workplace adjustment and salary compensation to secure employment for people with disabilities. However, the problem is that the salary compensation is done for a term of one year after which they simply dismiss the employee with a disability.

This and other issues will yet be discussed in the chapter on issues of young people with disabilities. According to the SES data in the number of partial compensations of salary for people with disabilities young people comrpised 25.6%. 28% of 32 cases of workplace adjustment was implemented for the young people with disabilities<sup>6</sup>.

The state strategy for 2013-2017 envisages measures to strengthen the connection between the labor market and the education system, introduce a model of state regulation of the labor market, as well as to implement state reforms in the salary system. It plans to introduce a new employment model and create a new model for state intervention in line with international standards. One of the aims is to improve the salary system and create an integrated information system, which will obtain information from the employers in the country and will make it possible to make projections on the demand for professions<sup>7</sup>.

The experts engaged in the study also state the need for these and other reforms. In this case, the issue is the need for state intervention and most importantly the introduction of an efficient system of evaluation and monitoring.

Within the RA Ministry of Sport and Youth Affairs structure only the Department of Youth Policy is in charge of issues of young people. The focus of its work is the youth policy development and organization of youth programs implemented by the state. The issue of youth employment is noted as a priority in 2013-2017 National policy strategy which plans to promote professional orientation and entrepreneurship of young people, collaboration with career centers, stimulate self-employment for the young people in marzes, etc. To address these issues joint efforts are made, annual training courses and job fairs are orga-

The structure that would deal solely with the youth employment issue and take certain action does not exist not only in the structure of the RA Ministry of Sport and Youth Affairs, but also in the RA. Part of this problem is dealt with by the "Methodological Center for Youth Professional Orientation", which ensures the solution of the issue of professional orientation in the RA. The structure was founded through the joint efforts of the RA Ministry of Labor and Social Affairs and the RA Ministry of Education and Science. Today the center provides methodological assistance to young people in the area of professional orientation implementing reforms starting from the general education and over to the vocational and college education. This is the structure that prepares respective specialists who will in the future address the issue of professional orientation all over the country8. However, as experts state, the professional orientation which underlies the employment issue, is not properly developed. Directors of district employment centers state that wrong professional orientation and insufficient information on the labor market are often the primary factors leading to issues around employment.

DEC Director. "We should start with proper orientation. It should start at school where the state of the labor market is presented. The young people go after what is trendy. Good guidance is very important. We need professional orientation centers. This has to start from school. Career centers are to develop skills, train in order to be managed".

nized for young people. However the Ministry itself does not have a separate department that would deal with the issue of youth employment.

<sup>6</sup> http://employment.am/am/93/free.html

<sup>7</sup> http://www.mlsa.am/up/MAR45-9.pdf

Employment and career centers of academic institutions, private recruitment organizations, NGOs and other structures are engaged in the solution to the issues of youth employment. So for the systemic solution to the youth employment issue it is advisable to involve these bodies in the process and tap on their human and other resources.

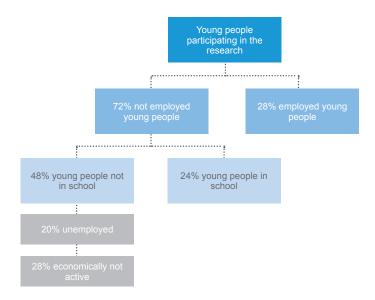
### Youth employment

According to RA NSS data 63% of the population are economically active, at that 82.7% are considered employed. The methodology used by state authorities regards paid workers, employers, the self-employed and people engaged in other work relations as employed. Around 17% of the economically active population are unemployed. By NSS methodology school and college students, homemakers, pensioners and people with disabilities are considered economically not active.

According to the RA NSS 2013 yearbook young people make up 38% of economically active population. The remaining segment of the young people is economically not active. 27% of the young people are employed, and 11% unemployed.

In order to understand the employment status of the young people the question was phrased as engagement in an **activity generating monetary or non-monetary income** for the time being, not to miss the segment of young people, who are either self-employed or engaged in agricultural work on own land and do not receive monetary income for that **(Figure 1.3):** 

1.3 Distribution of surveyed young people by employment



According to the findings 28% of the young people surveyed are employed: 72% of the young people surveyed are not engaged in a monetary or non-monetary income generating activity. From this group, 48% do not hold a job and are not in school, and the remaining 24% are in school. By the methodology of the research as well as by definition of the state the young people, who do not hold a job, are not studying but are looking for a job are considered unemployed. (20% of young people). The young people, who do not have employment, are not studying and are not looking for a job are economically not active. This implies that 28% of the young people surveyed are economically not active. Around 15% of the young people comprising this group are males, and the remaining 85% are females. 19-30 year-old females represent the least active segment. 14% of economically not active women reside in Yerevan, with the highest figures of economically not active behavior recorded in Kotayk and Lori. Perhaps this group of young people citing childcare or other reasons does not want to work.

16% of the respondents from 16-20 age group were employed, 33% in 21-25 age group and 34% in 26-30 group. This means an increase in the number of employed young people along with age.

32% of the young people living in Yerevan and 26% of the young people living in marzes are employed. It was taken into account that around 19% of the employed young people in marzes grow their own crop and can get in kind compensation.

According to the research data youth unemployment is 20%.

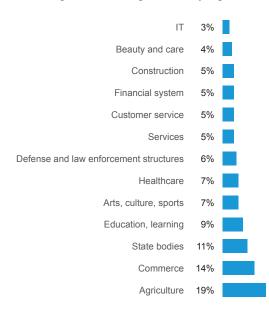
In the scope of the survey another question asked was how many jobs the employed young people held. According to the responses 90% of the employed young people are engaged in 1 activity that generates monetary

or non-monetary income, around 10% have 2 iobs.

66% of the employed young people are paid workers who receive certain compensation for the job duties performed, 29% are self-employed in agriculture, service, 4% are sole proprietors and 1% perform other jobs.

Among employed young people the employment can be permanent, temporary, seasonal or sporadic by nature. As a result we have the following picture: 83% have permanent employment, 9% temporary, 5% seasonal and 1% one-off, sporadic jobs. 2% of the employed young people did not wish to indicate their occupation. Young people with seasonal employment are mostly engaged in commerce and the work is associated with the demand for this or that good in the market. So, this way the employed young people are mainly engaged in paid permanent work and their employment generally does not depend on other factors (Figure 1.4):

### **2** 1.4 Key sectors of youth employment



Employed young people are primarily engaged in the following sectors: agriculture, commerce, state bodies. The industries less demanded by young people are transport, chemical, energy, textile and other types of manufacturing, tourism, legal services, etc.

Manufacturing, chemical industries have a low figure of youth involvement, however many of the key informants mentioned during the interviews that these very sectors need young human resources, but they are not interesting to young people.

This may be due to the misconceptions about professions as well as about their demand in the labor market. So appropriate measures are needed in the area of professional orientation.

In terms of legal-organizational setup, the distribution by type of employment is as follows. 35% of the employed young people work in the private sector, and 29% work for the state or structures under state bodies. Few young people (2%) are engaged in non-governmental and non-profit organizations. This fact was noted also in the "RA Youth Report" and the "Expectations and Aspirations of Young People in the RA" study. This is most probably associated with the legal-organizatinal setup of

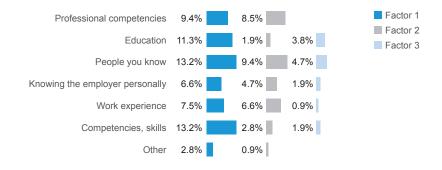
NGOs and development of concept of volunteering as an employment in Armenia.

First of all, formal employment among young people makes up 80%, meaning that 20% of the young people considered paid workers are not registered employees. 80% of the young people are registered employees and the state receives taxes from their employment of young people and they have certain regulatory mechanisms for work conditions and compensation.

75% of the surveyed young people who are paid workers have an employment contract with the employer, however the signing of an employment contract per se does not necessarily mean being a registered employee, since it is possible to sign an employment contract without recording it in the "labor book" and also not pay taxes. This means that if need be 25% of the employed young people will not be able to protect their labor rights by law.

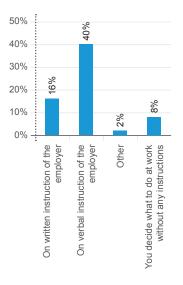
10% of the young people who have signed an employment contract are not aware of its content: this means that despite the signed agreement the young person will not be able to protect his/her labor rights related to salary, vacation or dismissal when needed.

✓ 1.8 Main factors in finding a job

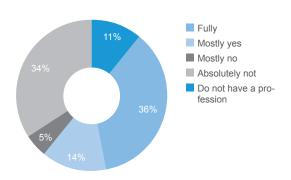


Nevertheless, the existence of employment contract does guarantee a clear definition of duties, rights and responsibility. The job duties for nearly 40% of the young employees are stated by employer's verbal instruction and only for 16% in writing. Interestingly, about 8% of the young people decide what they need to do at work. Such young people are mostly involved in service, arts and culture. It is the requirement of the RA Labor Code that the duties and functions shall be stated in the employment contract<sup>9</sup>. Failure to determine duties and functions is in breach of the labor law and can potentially lead to loading the employee with extra duties.

1.5 Setting job duties of the employed young people



### **≥** 1.6 Work and profession match



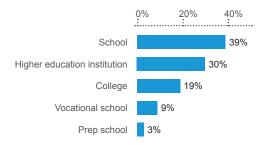
In response to the question whether the current work of the employed young people matches their profession we got the following picture: 36% of the surveyed employed young people work by profession, the employment of 34% does not match their profession at all, and for 14% their employment mostly matches their profession. In cases with total mismatch the young people are engaged in defense and law enforcement agencies, commerce and construction. 47% of such young people are females. This goes to show that the issue of employment outside the profession is equally faced by both females and males. A possible explanation could be that when the young person fails to find a job matching their profession, they either get involved in construction works, commerce or start working for defense and law enforcement agencies.

<sup>9</sup> http://www.parliament.am/legislation. php?sel=show&ID=2131#3.12

| Job posting websites                | 5%  |  |
|-------------------------------------|-----|--|
| Websites of organizations           |     |  |
| Announcements posted outside        |     |  |
| Announcements placed in newspapers  | 1%  |  |
| People you know, friends            | 63% |  |
| Mass media                          |     |  |
| Jobfinder agencies                  |     |  |
| SES                                 | 1%  |  |
| Social networks                     | 2%  |  |
| Various sites posting announcements | 1%  |  |
| Through volunteering                | 3%  |  |
| I visit potential workplaces        | 4%  |  |

63% of the young people surveyed got information about the job from people they know and relatives. 21% of the respondents have not disclosed their source of information and 5% used job posting websites.

1.7 Employment of the young people surveyed by their latest education degree



First, let us present the groups of employed young people by the most recent academic institution they graduated from. According to this, 40% of the employed young people have high school diplomas at the moment and received their latest complete education in school. 22% of all the young people employed are currently studying. 30% of the employed young people have graduated from a higher education institution.

The table also presents the employment sectors by the latest educational degree completed.

This table presents the highest education degree received by employed young people and the sector of employment. The young people themselves indicated their employment status that is whether they are crop growers on own land, self-employed or paid workers. As the table shows the young people who have graduated from school prevail among the self-employed and agricultural workers/cattle-breeders. This explains the predominance of this group of young people over other groups. This said, the number of young people who are general school graduates among employees and specialists is nearly equal to college and university graduates.

This shows that a higher level of education does not necessarily translate into greater employment opportunities.

|                             | School | Prep school | College | Vocational school | Higher education institution |
|-----------------------------|--------|-------------|---------|-------------------|------------------------------|
| Employee, specialist        | 11%    | 1%          | 10%     | 3%                | 10%                          |
| Self-employed               | 7%     | 0%          | 3%      | 2%                | 3%                           |
| Crop grower, cattle-breeder | 4%     | 0%          | 1%      | 1%                | 1%                           |
| Other                       | 3%     | 0%          | 1%      | 1%                | 2%                           |

# The main strategy of young people in the RA in the area of employment

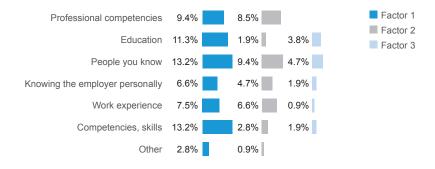
To outline the strategies of young people in the area of employment let us try to understand how the employed young people have found their current jobs, how young people seeking jobs present themselves in the labor market, what sources they utilize on the way to finding a job and what measures they take to address the issue of employment.

First we need to understand the most used strategies for Armenian young people in finding a job. That is to say how they get information and owing to what find a job. The research data tell us that already employed young people cite the following factors that affected the process of looking for a job (Figure 1.8):

Employer: "It happens quite often that young people who apply for a job do not have computer skills and do not know languages. Few manage to properly present themselves...".

**Employer:** For instance, a young person comes to me, I want to train, so I am required to register them and pay income tax for them But this person is here to learn and he/she may not succeed and simply leaves. And that is when it becomes a big problem since I need to register, then cancel the registration, then pay taxes for those 5 days, never mind the fact that this persone comes, breaks what's there, wastes resources and leaves and I find myself in unnecessary hassle. These are the problems we are facing. And why? Why can't the state provide some funds to train the young person? If the young person comes to you, let it be legally binding and the young person will sign a contract that he/ she is under obligation to get training in the organization and work there for at least 1-2 years after that. This way we will know why we are doing this and not have him/her come, learn and leave for Russia".

### 



Director of vocational school: "In the course of preparing a professional we present the entire process to our students. If it is the person installing stones in jewellery he is involved in all processes of jewellery making: starting from design, then preparing the mold to final product. Surely, he spends most of the time on installing the stone, but still becomes a skilled professional aware of the whole production process. If there are other related jobs he will be able to do it".

Research Institute vice-director: "The employers require trained professionals since they do not have adequate resources to prepare professionals who may leave after that. In our market conditions when the employers are not sure whether they will still be working next year or shutting down, hiring an inexperienced professional presents a risk. The employer is not to blame either and should not be accused".

The young people had the opportunity to assess and classify the factors of finding their current jobs. Factors were classified by importance, which means, that the factor placed the first had the most major influence on the process of finding a job.

As the most important factor in finding the current job, the young people indicated people they know, that is relatives, friends, then the factor of personal competencies and abilities, and then only the factor of education and professional competencies. Competencies and abilities are perceived as a product of courses and further knowledge implying that only professional education and competencies are not sufficient to find a job in Armenia today. Some of the key informants also noted that only pro-

fessional education is not enough to find a job. According to a part of the key informants the academic institutions do not pay much attention to the development of so-called soft (social) skills, that is comminication, managerial and other interpersonal skills. Hard skills, that is solid, professional or technical skills are developed but the present-day labor market requires the professional to be flexible and trained. One of the experts mentioned that the current conditions are such that the employers cannot make projections on how many more years they will operate and do not have the financial resources to hire a required number of employees. Consequently, the employer ends up hiring an experienced and trained employee who also performs duties outside his/her job description. And since there is a fear to lose the job the employees simply perform these duties. Employers also do not have enough financial resources to be able to train a specialist not having any guarantees that the person will work in their organization.

Nearly all employers have shared that the practice of involvement of a middleperson has both positive and negative consequences. Employers state that it is likely to find a really good employee through a middleperson or in other words through a reference, especially when it concerns areas with small population and in sectors that have few qualified specialists. This issue was particularly obvious in manufacturing organizations, where technologists are highly demanded. In addition, regardless of the manufacturing sector all the manufacturing units need young specialists, new human resources, but the chart for the employment sectors of young people reflects the reality that young people are hardly interested in these sectors. Moreover, they do not wish to receive an education for technological professions. So in fact there are many vacancies in these sectors that need to be filled but young people do not apply for these occupations at all.

DEC Director: "Today the employer hires one employee who performs the duties of several employees. For example, they hire an accountant who perfoms the duties of the accountant, secretary and even those pertaining to other departments. While the employer pays only for the accountant's job. So, it turns out that they hire one employee who is trained and performs the duties of several employees. That is why they want trained employees who do not require time and resources".

Employers share that in the sectors represented by few having a reference is simply indispensable to finding good specialists.

Many employers from marzes state that irrespective of whether the employee was hired with the help of a middleperson or not he/she necessarily goes through probation.

Some employers note that it is critical who is the middleperson. Depending on their reputation and qualifications a decision is made whether to hire the young person or not. If the middleperson is reliable the prospective employee is also regarded as a reliable person. Employers also state that they often contact the references to learn more about the prospective employee. This is more common among the employers who operate in commerce.

It should be noted that there is no single perception and distinction of the "middleperson" and "reference" concepts. However the reality is that the employers need reliable and qualified workers but finding such is challenging.

Although finding employees through the personal connections is a common practice among employers almost all of them state that

trained professionals are always in demand and will not ever have problems finding a job regardless of having/not having personal connections.

that they prefer to hire young people from a socially insecure family over others, since they knew they somehow helped them. There are also such, who deny the involvement of middlepersons in their organization (especially those employers, who have many employees or have been in business for a long time since in such established organizations the "middleperson" practice is rarely observed).

It is also mentioned that for instance in medical institutions vacancies are filled through competition. Committee is made up of many specialist, also from Yerevan (in case of medical institutions in marzes), which makes it virtually impossible to get hired through knowing the right people. This fact is noted by many employers.

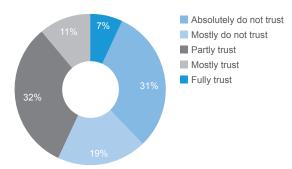
Young people were also asked about fairness in the recruitment system. To understand the how the status of the young person affects their attitude we present the degree of trust towards the recruitment fairness in Armenia by young people who have jobs and those who do not.

27% of the young people already employed trust the fairness of the recruitment process, 32% trust partly, 16% mostly do not trust and 32% do not trust at all.

In response to questions to find out the reasons for such attitude the following was determined: 38.6% of the young people surveyed do not trust the fairness of the system, 3.5% have heard from the people around, that it is unfair and 5.6% have never received any support in getting hired. And those who do trust

the fairness have either found jobs on their own or simply did not observe unfairness (Figure 1.9):

1.9 The attitude of not employed young people towards the fairness of the system of hiring



Some 18% of the young people in Armenia yet without a job trust the fairness of the system. As for the reasons nearly 50% of unemployed young people are convinced that one can be hired only by reference. Around 10% believe that the recruitment process is fair while the rest do not trust it for the following reasons

fear of being exploited, reaction of the people around them and outward appearance, that is, physical differences. Interestingly, people who cite physical differences as a reason are predominantly women. At that this factor is stressed very much in job announcements. The young person, first entering the labor market already has a notion that finding a job will be difficult and is contingent on certain factors.

Young people seeking employment mostly utilise the following sources in order to find a job.

Job posting websites

www.hr.am

www.jobfinder.am

www.careercenter.am

www.job.am

www.ashxatanq.am

www.banks.am

www.jobex.am

|                                     | 1st source | 2 <sup>nd</sup> source | 3 <sup>rd</sup> source | Sum   |
|-------------------------------------|------------|------------------------|------------------------|-------|
| Job posting websites                | 10.3%      | 2.2%                   | 0.7%                   | 13.2% |
| Websites of organizations           | 0.8%       | 1.4%                   | 1.0%                   | 3.2%  |
| Announcements posted outside        | 1.8%       | 1.2%                   | 0.7%                   | 3.7%  |
| Announcements placed in newspapers  | 0.2%       | 0.9%                   | 1.3%                   | 2.4%  |
| Personal connections, friends       | 15.8%      | 7.3%                   | 1.2%                   | 24.3% |
| Mass media                          | 0.8%       | 0.6%                   | 0.7%                   | 2.1%  |
| Job fairs                           | 0.1%       | 0.2%                   | 0.2%                   | 0.5%  |
| Jobfinder agencies                  | 0.4%       | 0.7%                   | 0.6%                   | 1.7%  |
| Youth organizations                 | 0.1%       | 0.2%                   | 0.2%                   | 0.5%  |
| SES                                 | 0.2%       | 0.3%                   | 0.1%                   | 0.6%  |
| Social networks                     | 3.1%       | 3.6%                   | 2.0%                   | 8.7%  |
| Various sites posting announcements | 0.7%       | 1.1%                   | 1.2%                   | 3.0%  |
| Through volunteering                | 0.0%       | 0.5%                   | 0.7%                   | 1.2%  |
| I visit potential workplaces        | 0.2%       | 0.7%                   | 0.9%                   | 1.8%  |
| Other                               | 0.5%       | 0.2%                   | 0.3%                   | 1.0%  |

Young people could rate the sources of job searching. As a first source they chose the one that is most often used by young people looking for a job. It is noteworthy that personal connections and friends are cited as a first source as well as the most commonly used one. In general, this source is the most used one by young people. As mentioned earlier the vast majority of young people who have found employment have done so with the help of personal connections and relatives. This is the most used source for the Armenian youth. The next most often used sources are the job posting websites, and then social networks.

According to the data received job fairs are the least used among young people despite the fact that both the Ministry of Labor and Social Affairs and the Ministry of Sport and Youth Affairs hold job fairs, and that these events are considered to be the most practical by the young people in addressing the issues of employment. However, the introduction of monitoring and evaluation system for events implemented by the state will may make the work of this source of information more efficient. Taking into account the needs of young people, nature of youth participation, their wishes, as well as the feedback of young people who have found jobs through the fairs, it will be possible to improve the existing systems.

Volunteering as an option for job searching is not used as a first source at all. Only 17% of

the surveyed young people looking for a job volunteer or have volunteered. However, it is not much regarded as an option for securing stable employment in the future. This may be due to inadequate understanding of the volunteering concept in Armenia. Nonetheless, volunteering helps to gain further knowledge and skills, that may prove useful for getting hired in the future and raise the sense of social responsibility of the young person.

In response to the question whether young people are ready to volunteer with the oportunity to get a job in the future 68% of young people answered in the affirmative.

Volunteering is not perceived as a way of looking for a job. Volunteering is practised by around 20% of young people looking for a job. Volunteering is not perceived by them as a means of searching for a job. The awareness of job searching sources by young people is shown below:

Young people are informed about the recruitment agencies the most followed by youth organizations and job fairs. As the table above shows the young people mostly turn to recruitment agencies, then job fairs and only then to youth organizations.

Young people were able to also indicate the disadvantages for each source of job searching:

|                              | Informed young people | Young people who have applied | Young people hired |
|------------------------------|-----------------------|-------------------------------|--------------------|
| Through youth organizations  | 38%                   | 17%                           | 15%                |
| Through recruitment agencies | 61%                   | 40%                           | 18%                |
| Through job fairs            | 26%                   | 19%                           | 28%                |

| Source             | Down side  |
|--------------------|--|
| Youth organization | Lack of information on their work and politicized nature |
| Job fair           | A small number of jobs and occupations presented.        |
| Recruitment agency | Collected fees, insufficient number of jobs offered.     |

| Organizational factors                | factor 1 | factor 2 | factor 3 | Sum   |
|---------------------------------------|----------|----------|----------|-------|
| Organization size                     | 1.0%     | 0.5%     | 0.1%     | 1.6%  |
| How long the organization exists      | 0.5%     | 1.0%     | 0.4%     | 1.9%  |
| Reputation of the organization        | 0.6%     | 1.1%     | 1.2%     | 2.9%  |
| Salary                                | 16.4%    | 6.3%     | 2.7%     | 25.4% |
| Nature of work                        | 5.0%     | 7.2%     | 3.6%     | 15.8% |
| Work conditions                       | 0.4%     | 1.7%     | 3.0%     | 5.1%  |
| Opportunities for professional growth | 5.0%     | 4.2%     | 1.6%     | 10.8% |
| Friendly personnel                    | 2.0%     | 3.0%     | 3.6%     | 8.6%  |
| Protected labor rights                | 0.2%     | 1.0%     | 2.0%     | 3.2%  |
| Career growth opportunities           | 2.6%     | 1.7%     | 2.0%     | 6.3%  |
| Location                              | 1.3%     | 2.3%     | 3.3%     | 6.9%  |
| Other                                 | 0.3%     | 0.2%     | 0.1%     | 0.6%  |

As stated by young people they have a shortage of information regardinf job fairs and youth organizations. Young people also talk about the low number of jobs offered as well as limited specializations within those jobs. According to young people a limited number of job announcements is presented both in the job fairs and recruitment agencies. Young people would like to see a larger number and diversity in the jobs presented at the fairs.

Young people have classified also the organizational factors, that affect the decision to apply for a certain job. The most influential factor for young people is the salary size:

The size of salary is not only the most influential factor, but is the primary factor when deciding to apply for a job. As the second most influential factors the young people have indicated the nature of work and whether it is interesting, 5 % each. The third influential factor is the friendliness of the personnel and the level of the young person's comfort at workplace. The location of the workplace is no less important. As shown above in current economic conditions applying for a job is determined by the salary size. This may explain why the profes-

sion of many of the young people does not match their current job at all or for the most part. The very fact of having a job drives the young person to work albeit not by profession.

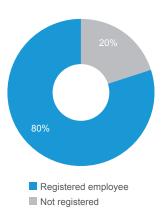
Interestingly, the protection of labor rights is mentioned only among the 3<sup>rd</sup> group of factors by young people. As noted by those coducting research on awareness of young people of labor rights<sup>10</sup>, the problem is that often young people are not informed about their labor rights and do not blow the whistle on cases of violation sout of fear to lose the job.

Expert: "Young people hired through relatives, friends and personal connections often can't even complain about violated rights. In this case it boils down to disagreements with relatives and friends and naturally such violations are not talked about, let alone lawsuits."

<sup>10</sup> http://aprgroup.org/images/Library/handbook%20 on%20labor%20rights%20questions%20and%20 answers.pdf

Young people also had the opportunity to talk about violation of rights they encountered in the course of their work. 1.4% of the surveyed young people have taken note of an unfair treatment towards themselves in work relations, and 0.6% have received their salary with periodic delays.

**2** Formal youth employment



Unfar treatment is a subjective category and is associated with expectations and outlook of the individual, while when it comes to paying in arrears employers do it either because they have not signed a contract or because the wording in the contracts is such that it is unclear to the young person when they can complain about the delays. The employment contract is a mechanism that sets and regulates the rights and obligations of the parties. Signing of an employment contract guarantees the employee the possibility of protection of violated rights.

Now let us look at the data regarding young people who were unemployed at the time of the study but were looking for a job. To find a job these young people mostly apply the following strategy: first of all, they most often look at the job announcements and turn to friends and people they know. In searching for a job exactly the same pattern holds among

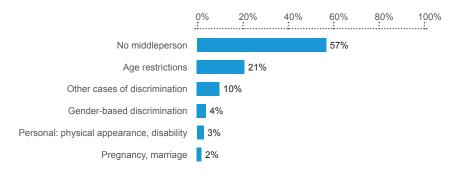
the employed the young people. Regardless of the fact of being employed job announcements are reviewed as a primary factor and another common practice albeit not the primary is turning to friends and people they know.

Only 37% of the young people looking for a job have a resume, while the rest do not have one as reported by young people. This is a problem since young people in fact do not have an opportunity to at least present themselves and their skills, experience to the employer. Nonetheless, 56% of the young people are aware of the principles of preparing a resume. This figure exceeds that of young people having resumes: young people know how to write one but they don't. This may be explained by the fact that young people looking for a job do not trust the fairness of the hiring procedure. In this sense, the resume loses it purpose and value for the young people.

41% of the young people without a resume do not know how to write one.

Surveyed young people also presented the types of discrimination they have encountered while looking for a job. According to these data 57% of the young people who ever came across discrimination mention not involving a middle-person in getting a job, and only then age restrictions. (Figure 2.1):

So, for the young people looking at announcements and asking people they know are considered relevant ways of searching a job. Most of the young people looking for jobs do not have resumes, and as a reason for not getting hired cite the absence of a middle-person. Young people mostly do not trust the fairness of the hiring process in Armenia and are not inclined to turn to the state authority regulating the issue of employment, namely the State Employment Service and its district centers.



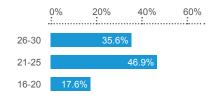
### Overview of RA youth unemployment

In the scope of the study the unemployed are those who do not study at the time, that is they do not receive full-time education, are not engaged in monetary or non-monetary income generating activity and are looking for a job. The research found that currently unemployment among young people is 20%. According to the research data 28% of the unemployed young people are males, and 72% are females. This goes against the opinion of many professionals in the sphere that the boys are more vulnerable in the labor market. The number of unemployed females is high. In marzes In marzes there were opinions that marriage makes the employment issue for girls irrelevant as such. In Lori marz there was also a statement made that the marriage of one employed girl solves the unemployment problem for another girl. It means that the marriage is regarded as a way to solve the issue of employment: upon marriage girls do not face the problem of working anymore since there is no need for that, given that girls for this or that reason quit looking for a job. According to the research data women who are not employed, According to the research data 83% of the women not looking for a job, not studying and not employed are married.

**DEC Director:** "Boys are more vulnerable, since shops normally look for female attendants while boys are able to work in appliance stores, at that often without getting registered".

**DEC Director:** "The marriage of one opens up a job for the other".

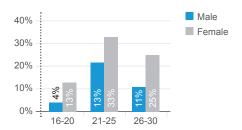
# 2.2 Age-based distribution of unemployment



Discussing the age-base differences of unemployment we can state that this problem is encountered the least for the 16-20 age group since most of those surveyed are still studying and de facto cannot be considered unemployed. The unemployment issue is faced predominantly by 21-25 year-olds, at that 47% are looking for a job. Among 26-30 year-olds

he problem exists for about 36% of the young people surveyed, since the rest is either already engaged in work activity or does not wish to work altogether.

2.3 Age- and gender-based distribution of unemployment



The comparison of the age- and gender-based distribution of youth unemployment determines that the highest unemployment rate is recorded among 21-25 year-old females. With age this figure decreases.

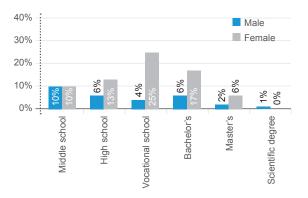
So it turns out that the issue of employment for females in 26-30 age group appear to ease since with age unemployment figure reduces by 21%, and among males it decreases by 6%. The reduction of the unemployment figure among women can also be due to the fact that they after all find a job or quit looking for one altogether.

**DEC Director:** "When dealing with unemployment young people with higher education and those with secondary or vocational education are equally vulnerable. Simply college graduates face it 4 years later".

Among the key informants it is a commonly held view that unemployment is faced by both college graduates and those who have received secondary and vocational education. It is about the fact that young people with higher education mostly wish to perform profession-specific jobs and young people without higher educaton are often not qualified for the demands of the labor market. Neither the young people, nor the entities currently operating in the labor market are the happy with this picture.

According to the research data males and females who have received secondary education equally face the issue of unemployment. By saying secondary education we understand 9-year education (without attending high school). This was also presented to the young people surveyed to avoid misunderstanding.

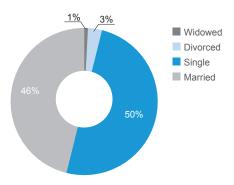
2.4 Educational degrees of unemployed young people



Among people who have graduated from high school and those having complete secondary education the figure for the unemployed females is twice higher than that for males. Males often get engaged in agricultural jobscrop growing, cattle breeding. Among people who have received vocational education the figure for the unemployed females is 6 times higher than that for males. In case of higher education the number of unemployed females is nearly 3 times higher than that for males among people who have graduated with a bachelor's or master's degree. *Most of the key informants noted that what drives* 

young people to the decision to be work migrants is that young professionals either cannot find a job, or if they do they get a very small salary and are not able to provide for the family.

2.5 Marital status of unemployed young people



The research determined that 46% of the unemployed are married, which means that nearly half of them has a family to provide for. The rest of the young people are not married or have a different status.

55% of the unemployed young people want to continue their education. 40% of them would like to change their specialization, another 40% wish to continue with the same specialization, and the remaining 20% want to acquire a specialization since they do not have one. Nearly half of the unemployed young people want to change their specialization since they are having difficulties finding a job by that specialization or are convinced that with a different profession they will more easily find a job. Some of the young people also wish to gain new knowledge. Half of those wanting to change the professions have complete vocational education and the other half have higher education. The economists and computer professionals are mostly the ones wanting to change the profession. Both professions are quite popular among the young

people. They choose these professions seeing their demand in the labor market while in fact the labor market does not have as much demand as there are young people.

Surveys of the unemployed young people outlined also the following picture: 87% of them have studied in public (meaning vocational schools, colleges and higher academic institutions), with 13% in private academic institutions.

Research Center director: "It will take a while for us to understand that buying a diploma or a grade does not equal getting an education. Paying for diploma and grades you buy the piece of paper, but not the knowledge and competencies. So, both academic institutions and the young students are to blame".

Recruitment agency worker: "There are employers who wish to hire only students of public higher education institutions: YSU, ASUE, etc. Such employers consider only graduates of public higher education institutions for all positions."

The ratio for the young people who received vocational or higher education in public and private academic institutions is 43% private to 55% public, and the rest of the young people did not wish to disclose the type of academic institution. It means that the number of those studying in public academic institutions is greater than that of students of private academic institutions by 12%. This can partly explain the predominance of graduates of public academic institutions among the unemployed However, it does not fully interpret the fact that the unemployment rate among graduates of

public academic institutions exceeds that for young people who have graduated from a private academic institution by almost 7 times. This goes against the notion that the employers prefer to hire young people who have graduated from a public academic institution, and demonstrates that public academic institutions are not able to ensure the entry of the young people into the labor market:

In the framework of the study the young people were able to indicate possible 3 factors of mismatch between the education received in the academic institutions and the labor market. Based on this we have the picture below:

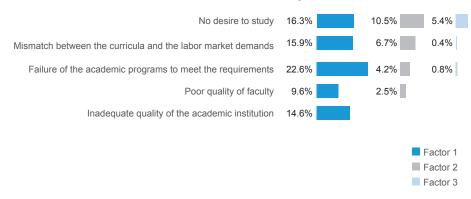
As primary and vital factors (indicated in blue) leading to a mismatch between education and the labor market is the failure of the academic programs to meet the requirements of the labor market, as well as lack of desire of young people to study. So, we can talk about issues on both ends: irrelevance of curricula at academic institutions and indifference of young people. Perhaps, indifference as well is caused by an imperfect system of professional orientation. In this case the young person enrolls at an academic institution in order to get a profession, however is neither interested in it, nor wishes to master it.

All the surveyed young people think that the state should support them in solving the issue of their employment. As potential way to support the young people they see events with young people and employers participating, promoting programs on agriculture and entrepreneurship, granting benefits to those employers, who hire young people, increasing the number of half-working days.

International practice: "The report on the youth employment in African countries for 2011 presents the measures applied since 2008. The creation of half working days and implementation of active trainings among the young people are viewed as key tools."

Young people could choose three possible ways of state intervention. Accordingly, events held for the young people, such as building on job searching skills, research of the local labor market, events aimed at professional orientation, etc were considered the most important paths of state intervention. This was followed by the events with the employers participating in terms of the selection of young human resources and awareness of the labor market situation. Addition of half working days was also preferred. This gives an opportunity to get work experience while still studying and become a qualified professional owing to practical skills.





The unemployed young people also rated the general state of affairs in the labor market, and how easy it is to get hired in Armenia, their job searching skills and the opportunities to find a job by profession.

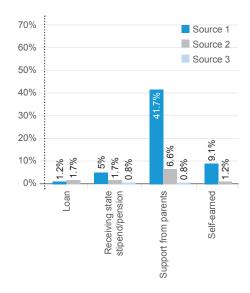
38.6% of the unemployed young people are absolutely not happy with the general state of the labor market. 30.7% are mostly unhappy and only 5.4% find the state of the labor market in Armenia satisfactory. 57.7% of the young people are absolutely not content with the level of ease of the hiring process in Armenia. 25% of the unemployed young people surveyed are mostly dissatisfied with this and only 4% find it sufficiently easy to find a job in Armenia. The young people tend to have a negative attitude towards the labor market, caused by personal unsuccessful attempts or negative feedback of the people around.

Almost 19% of the unemployed young people assess their job searching skills as completely adequate. Around the same number of young people is completely dissatisfied with their job searching skills. About 35% of the unemployed consider their skills to be generally adequate.

11% of the unemployed young people have a certain amount of non-monetary income, which means that only this segment can make a living while being unemployed. The remaining 89% of the young people are not engaged in monetary income generating activity which means that financially they are fully dependent on other financial sources.

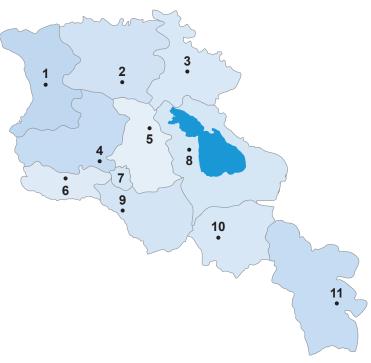
Talking about the sources of income of the unemployed young people we can state that 30% of the unemployed young people surveyed have no income at all, and 13% have not disclosed their income sources. (Figure 2.7):

# 2.7 Sources of income for the unemployed young people



Mostly parents support the young people and it was indicated as the primary source of income and as a secondary one by nearly 7% of the young people. The sources were classified according to the income amount. 9% of the young people make their own money but have refused to disclose the source. The unemployed young person can apply for state support if registered in the SES as such, but as we saw such young people are rather few.

On the level of marzes we have the following picture: the highest youth unemployment figures were recorded in Shirak marz, then in Syunik and Aragatsotn marzes. The lowest was in Kotayk marz, however as mentioned earlier here we come across economically not active people who are not looking for a job, the most.

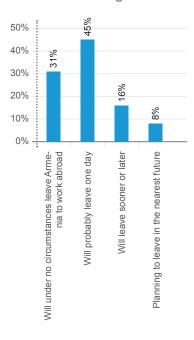


| 1  | Shirak       | 30% |
|----|--------------|-----|
| 2  | Lori         | 21% |
| 3  | Tavush       | 17% |
| 4  | Aragatsotn   | 27% |
| 5  | Kotayk       | 12% |
| 6  | Armavir      | 15% |
| 7  | Yerevan      | 19% |
| 8  | Ghegharkunik | 19% |
| 9  | Ararat       | 20% |
| 10 | Vayots Dzor  | 18% |
| 11 | Syunik       | 27% |
|    |              |     |

## Youth emigration potential in the RA

Let us now discuss the tendencies and experience of surveyed young people in working abroad.

2.8 The attitude of the young people towards leaving for work abroad.



Nearly 30% of the young people surveyed state that they will under no circumstances leave Armenia for work. Tentatively, 8% of the young people are those already leaving who have made agreements, applied to the embassies, found a job and are planning to leave for work in the nearest future. In case of unfavorable conditions another group of young people is ready to leave for work abroad, although that decision itself is not made yet.

Now let us discuss the data regarding those young people who have already made agreements and decided to leave and will leave for work abroad in the nearest future.

To outline the risks associated with leaving for work abroad we tried to understand to what extent the young people took care of the issues around work abroad and what mechanisms young people employed to get involved in the work abroad system.



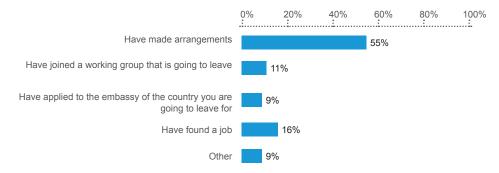
First of all, 61% of those wishing to leave are males and 39% females.

| 16-20 age group | 15% |
|-----------------|-----|
| 21-25 age group | 46% |
| 26-30 age group | 39% |

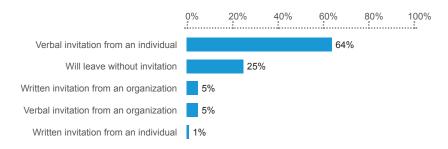
Nearly half of those leaving represent the 21-25 age group. Representatives of the 16-20 age group are the fewest. This is due to the ongoing education in academic institutions and not having a profession yet.

In response to the question about the steps the young people already leaving have taken related to leaving for work abroad, we received the following answers. (Figure 2.9)

#### 

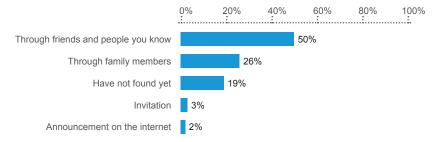


#### ☑ 3 Nature of invitation for work abroad

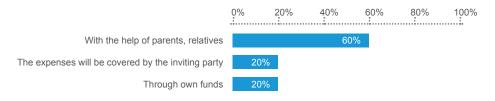


|        | On their own | Consulting family members | On friends' advice |
|--------|--------------|---------------------------|--------------------|
| Male   | 33%          | 28%                       | 3%                 |
| Female | 4%           | 31%                       | 0%                 |

## 



#### 



Nearly 50% of the young people have made arrangements. At that, in case of verbal invitations there are never guarantees in terms of the work availability, nature or at least travel expenses.

59% of the young people made the decision to migrate for work by consulting family mebers, 37% made the decision on their own, and only 3% did that on friends' advice. The table below presents also gender-based distinctions of the decision to migrate for work.

Only males leave on friends' advice, predominantly males make their decision on their own and mostly females consult family members.

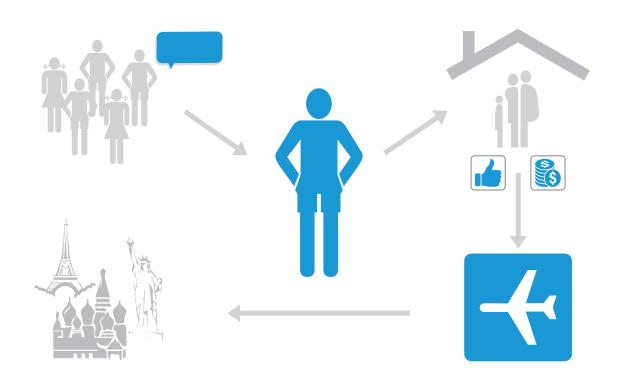
Young people get information on work abroad mostly from friends and people they know, in fewer cases from family members and around 20% leave without clear information on the job they will be performing (Figure 3.1).

In 60% of cases the travel expenses associated with leaving for work abroad will be born

by the parents and relatives, in the remaining cases half of them will be born by the inviting party and the other half by the young people from their own means.

So, the following scenario is the most common: the young person learns from friends or family members (verbally) that there is a job available, upon consulting the family makes the decision to leave for work abroad and the family and relatives themselves cover the travel expenses. So there is the most used mechanism among the young people concerning leaving for work abroad.

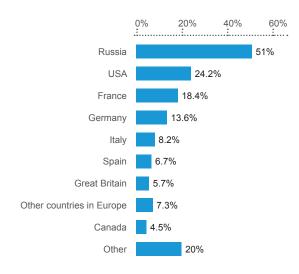
The young people who are already leaving provided the following responses in respect of match between the work abroad and their profession. For 35% of the young people it is essential that the job is related to the profession. For 33% it is not critical, and 5% of the young people do not attach any importance to the nature of work: the question here is its availability.



78% of the young people who have already decided to leave are bound for Russia. 6% of the young people are going to leave for the USA, 6% are going to Canada, 4% to CIS states and 2% to European countries.

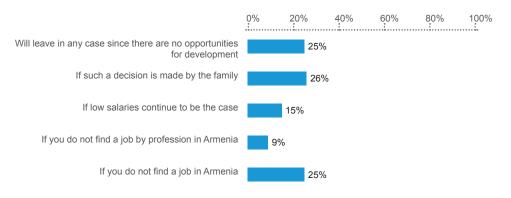
In response to the question: "Which country or countries would you like to go for work?" in 51% of cases Russia was mentioned, and in 24.2% it was USA (Figure 3.3):

3.3 Preferences of the young people in terms of countries to work in



Nearly 50% of the young people wanting to leave are inclined to work in the Russian Federation, around 25% in the US and a bit less in France. In fact, the RF, US and French labor markets are the most sought for by the young people. Young people also wish to leave for Germany, Italy.

In response to the question on what will make the young people wishing to leave the country to do so the following was shared. The main prerequisite for leaving for work abroad is the decision to do made by the family, means if it is decided for the whole family to leave or the young person alone is leaving for work abroad. 25% of the young people will leave Armenia, if they do not find a job. And this is considering that it is about any job, even not professional. Only 9% of the young people are ready to leave if they fail to find a job by profession. So, only employment will keep 25% of the young people wanting to leave in Armenia.



Since among the young people surveyed there were such that had returned from work abroad, we are dedicating a separate section to the information received from them. 9% of the young people surveyed had already left for work abroad in the past, but were currently in Armenia. 20% of them are females and the remaining 80% are males.

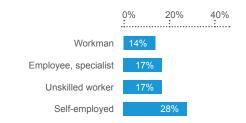
3.5 The main sectors where returned young people worked abroad.



Construction had been the main sector of employment for the young people: 34% of the young people who had gone abroad had worked in this sector. 10% of the young people were engaged in commerce. The rest of the cases do not represent one specific sector.

28% of the young people consider themselves independent workers, 17% have worked as unskilled workers and 17% are employees and specialists.

3.6 The key directions of work for the young people who have returned.



The vast majority of the young people who have already left for work abroad (92%) have gone to Russia.

| Russia             | 92% |
|--------------------|-----|
| Ukraine            | 2%  |
| European countries | 2%  |
| Other countries    | 4%  |

Comparing the country preferences of the young people who have returned and those wishing to leave we can state that interest towards Russia has somewhat decreased. Also, Ukraine and European countries are now practically equally attractive among the young people wishing to leave.

For the 75% of the young people work abroad was not related to the profession, for 11% it was close to their professional sphere and the remaining 14% were engaged in professional jobs outside Armenia.

Nearly 50% of the young people heard about the job through friends and people they knew, around 40% from family members, only 5% received an invitation, and some 8% from other sources.

81% of the young people who left got a verbal invitation from an individual, only 9% left without an invitation. This can be explained by a certain perception of the work abroad. The notion is that one can go abroad even without a job invitation and find employment. And even though a verbal invitation does not necessarily guarantee employment in the past it was a common practice among the young people.

60% of the young people have left for work abroad alone, 12% with friends, 20% with their families: wives, children or parents.

42% of the young people who left did so at their own expense, for 31% the inviting party covered the expenses, and 25% of the young people got support from parents.

For 60% of the young people wishing to leave parents are ready to cover the travel expenses

making the work abroad process easier and if in the past this was not common, now it is mostly the parents themselves that send their children to work abroad. So the number of the young people who cover their own travel expenses has reduced by almost half.

50% of the young people who have returned came back to their families and the other 50% returned due to work assignment being over or other reasons not indicated. So it turns out that the most important factor bringing young people back to Armenia is the family. This means that young people mostly return in case if their families are in Armenia:

The majority of the young people were informed about the salary and living conditions, as well as the nature of work prior to departure. Young people were less informed about the nature of work: they know what jobs they

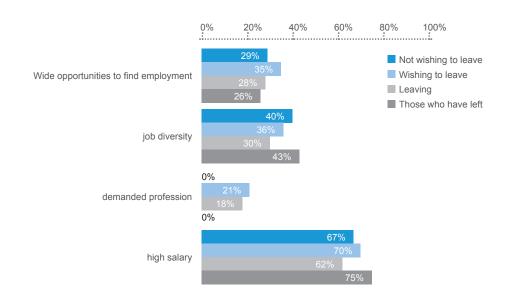
will be performing but they do not know the amount of compensation or the conditions they will be living in.

We will also discuss the beliefs of the young people about work abroad comparing the positive and negative aspects mentioned by those wishing to leave and those who have already left.

Young people see as a primary positive aspect the high salary and this is especially so among the young people who have already left for work abroad. The second positive aspect indicated is the job diversity. Interestingly, this positive aspect is mentioned both by those who have already left and returned and those young people who never wish to leave. (Figure 3.7)

|     | Awareness of the salary, and living conditions | Awareness of the nature of work |
|-----|--|---------------------------------|
| Yes | 70%  | 77%                             |
| No  | 30%  | 23%                             |

#### **≥** 3.7 Advantages of work abroad for the young people



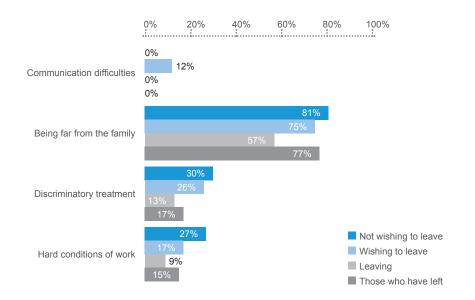
The high salary and job diversity can be the very reason for high level of satisfaction and attractive features for the young people bound to leave.

The young people wishing to leave are the ones mostly thinking that it is possible to find any kind of job abroad, while those who have left and returned are the least inclined to think this way. This shows that when leaving for work abroad finding any kind of job is actually not that easy.

And most importantly, young people wishing to leave and already leaving are convinced that a positive aspect of work abroad is that their profession is demanded, while nobody from the young people who have returned indicated that factor. This means that prior to departure the young people are having misconceptions

that their profession is in demand and they will find a job by profession but in reality this was not viewed as a positive aspect by those young people who already work abroad.

## ☑ 3.8 Disadvantages of work abroad for the young people



So it can be presumed that, when leaving the young people have misconceptions about the labor market of the country they have chosen, or as a result of misinformation from possible sources such as the internet, people they know and relatives they assume they will easily find a job by profession. Therefore, more effective mechanisms of labor market research should be designed among the young people leaving in order not to leave for work abroad with overly big expectations.

The primary negative aspect of work abroad is being far from the family. This is observed mostly among the young people who have already left as well as those who do not wish to leave. As noted the family can be the main and only reason for not leaving for work abroad or returning afterwards. The second negative aspect indicated was the discriminatory treatment towards foreigners. This belief however

is present the least among the young people already leaving which means that perhaps they are leaving for work abroad with different expectations.

The young people who are already leaving unlike the ones that have left, have practically ignored hard conditions of work which again means that they have different expectations from work abroad.

Here we present also the key positive and negative aspects of work abroad that young people who have already left, now leaving, wishing to leave and never wanting to leave Armenia have mentioned, in order to outline their perceptions.

The vast majority of experts and key informants note that in reality a large volume of emigration is observed among young people and there are two main reasons for that.

| Advantages                                 |     | Disadvantages                | %   |
|--|-----|------------------------------|-----|
| Working abroad                             |     |                              |     |
| High salary                                | 75% | Being far from the family    | 77% |
| Wide opportunities to find any kind of job | 43% | Discriminatory treatment     | 17% |
| Job diversity                              | 26% | Difficult working conditions | 15% |
| Leaving for work abroad                    |     |                              |     |
| High salary                                | 62% | Being far from the family    | 57% |
| Job diversity                              | 30% | Discriminatory treatment     | 13% |
| Wide opportunities to find any kind of job | 28% | Difficult working conditions | 9%  |
| Demanded profession                        | 18% |                              |     |
| Wishing to work abroad                     |     |                              |     |
| High salary                                | 70% | Being far from the family    | 75% |
| Job diversity                              | 36% | Discriminatory treatment     | 26% |
| Wide opportunities to find any kind of job | 35% | Difficult working conditions | 17% |
| Demanded profession                        | 21% | Communication difficulties   | 12% |
| Not wishing to work abroad                 |     |                              |     |
| High salary                                | 67% | Being far from the family    | 81% |
| Job diversity                              | 40% | Discriminatory treatment     | 30% |
| Wide opportunities to find any kind of job | 29% | Difficult working conditions | 27% |

- lack of jobs for the young people, that is mismatch between the professional potential of the young people and the labor market.
- 2. mismatch between salaries and prices: low salaries and noticeable inflation.

per Director: "There are many-many reasons. Dissapointment due to the failure to find their place at work, the issue of residence. In the past there were programs providing residences for young people: most of the young people here have very limited financial resources. They encounter issues of residence and jobs, they make minimum wages and are sometimes reliant on their parents. This causes emotional distress since the young person needs self-fulfilment. But how can they do it when the opportunities do not exist. So they have to leave".

Experts and key informants indicated only two positive aspects regarding working abroad: potential employment and establishment of the young people, while the drawbacks are being far from the family, leaving the family, taking up various menial jobs, living in bad conditions and naturally contributing to the development of other countries and the issue of actual defense of Armenia. Experts say the emigration of young people is also negative in the sense that they take along their wives, children and parents.

Around 25% of the unemployed young people believe that they will under no circumstances leave Armenia in order to find a job. 50% of the young people surveyed believe that one day they will leave Armenia, 15% are convinced that sooner or later they will leave, and 7% are already taking steps in order to leave

for work abroad. **75% of the unemployed** young people are inclined to work outside Armenia.

Here we present the percentage of the young people who were already to leave Armenia for work abroad at the time of the survey. 9% of the surveyed young people residing in Yerevan are already on their way to leave and at some point after the survey will leave for work abroad. The young people in Armavir are inclined to leave for work abroad the most, 15% of the young people surveyed from that marz. At the time of the survey only Vayots Dzor did not have people leaving for work abroad.



| 1  | Shirak       | 6%  |
|----|--------------|-----|
| 2  | Lori         | 5%  |
| 3  | Tavush       | 2%  |
| 4  | Aragatsotn   | 5%  |
| 5  | Kotayk       | 3%  |
| 6  | Armavir      | 15% |
| 7  | Yerevan      | 9%  |
| 8  | Ghegharkunik | 9%  |
| 9  | Ararat       | 5%  |
| 10 | Vayots Dzor  | 0%  |
| 11 | Syunik       | 5%  |
|    |              |     |

## The correlations between education system and labor market

A key prerequisite for getting involved in the labor market is the preparedness of a working young person to perform a certain job, that is level of education and the general knowledge of the sector.

Let us discuss how the three main types of education- formal, non-formal and informal, affect the process of the labor market involvement for young people. Formal education was already covered in the section on unemployment while presenting the correlation between the nature of academic institutions and youth employment: graduates of public academic institutions faced the unemployment issue more than those graduating from private ones. Also, around 28% of the young people are still studying and thus cannot be regarded as unemployed.

Employer: "If it were even mandatory, like they have in the military, to have the student work for couple years in marzes once they graduate and not "kill" each other for a job in the city and then talk about the fight against corruption".

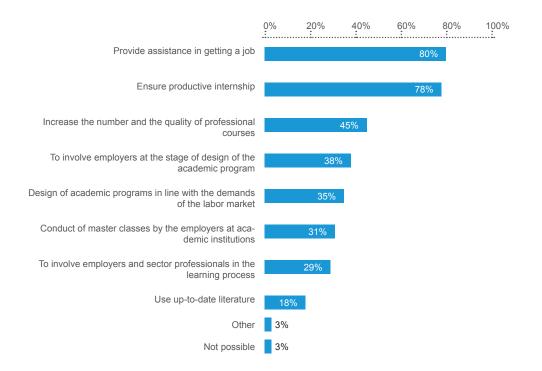
In the research sample we have the following picture in terms of the educational status of those surveyed. 29% of the young people surveyed are currently studying, and 71% are not. Educational statuses are covered in greater detail in the chapter on the link between education and the labor market.

Among the young people the economists, historians, teachers are employed the most. This obviously does not mean that the young people are employed in their professional sectors, but rather that young people of these professions are employed. The army of not employed young people is led by teachers, economists and philologists. This way, we have a picture where the teachers and economists are at the

same time leading the lists of the employed and not employed. So, these professions are in demand in Armenia and there is a need for people of these professions, however not for as many as graduate from the academic institutions today. In this case the supply satistfies the demand within these professions and even exceeds it. So the young people seeing that these professionals manage to secure employment choose these professions but upon graduation it becomes clear that there are thousands of graduates with the same profession. However, as noted having a profession does not necessarily guarantee employment. This means that nowadays, when academic institutions make their own decisions on the number of specialists they prepare, there will always be young people, who will "fall victim" to the policies of academic institutions implemented without any labor market research. Apart from the young people who have serious misconceptions about the present labor market themselves, the academic institutions also share these misconceptions. This issue was raised also by one of the key informants, the DEC director, who needed a well-rounded picture of the Armenian labor market, since the information they received was not comprehensive and failed to reflect the real picture undermining the productiveness of this job.

Interestingly, there are also many accountants who do not have jobs. This said, the qualitative interviews conducted in marzes revealed that many employers are looking for accountants and do not manage to find young professionals. One of the distinguishing features of the Armenian labor market is that in a situation where there is a young professional looking for a job and an employer seeking a young person of that profession, they fail to meet. Nonetheless, the SES has resources and programs through which employers and young people from different marzes can meet and fill that gap. The state also covers the expenses associated with changing job locations. However, as mentioned earlier few young people are aware of the work of the State Employment Service.

3.9 Possible ways to address the education-labor market mismatch



Here are the professions that people having them want to change in the nearest future and get a new one: historians, economists, physicists and chemists. Qualitative interviews made it clear that the demand for chemists is high in marzes, but the young person and the employer again do not manage to meet, and consequently the young person wishes to change his/her profession and the employer hires not trained and specialized human resources.

Only 15% of the young people surveyed believe that it is possible to work upon graduation, 27% think that opportunities to work generally exist and the rest is not so optimistic about finding a job upon graduation. Perhaps this very notion prompts the young people to rate the professional knowledge and skills lower than the fact of knowing people and personal skills.

Young people also rated the options for primary assistance that will seek to solve the education-labor market mismatch. Young people believe that in the first place support should be provided in searching for jobs which entails developing effective job searching skills already in academic institutions. As the second most important step they have indicated ensuring productive internships, and not the formal internships that do not make it possible to build on the theoretical knowledge gained with practical skills. Also important is the control over the quality of professional courses and bringing them up-to-date, as well as the involvement of employers at the stage of design of the academic program.

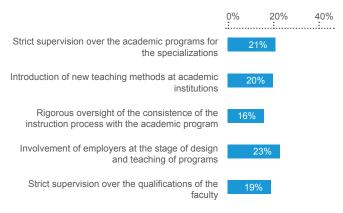
Young people also had the opportunity to indicate the possible options of state intervention and those that the young people themselves have already undertaken.

In response to the question on how young people themselves have tried to solve the education-labor market mismatch the following was revealed.

| Have done nothing                                     | 58% |
|---|-----|
| Have tried to get advice from faculty and instructors | 16% |
| Have attended additional courses                      | 9%  |
| Have researched up-to-date literature                 | 6%  |
| Have turned to the student council with suggestions   | 4%  |

58% of the young people who have seen the mismatch have done nothing. Unfortunately, we are not able to talk about reasons undelying this since they need an in-depth review: Is it that young people are indifferent to this issue? Or is it that they are do not believe that expressing their discontent they will change the situation? The remaining 40% of the young people have demonstrated certain level of activity by turning to professors or instructors, attending supplementary courses or at the very least turning to the student council for possible solutions. The student council as a tool for potential change, is used by the young people the least while these structures have enough resources to implement appropriate changes. However, the reasons why the young people do not often turn to the student councils also need an in-depth review.

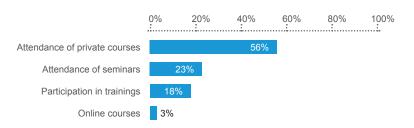




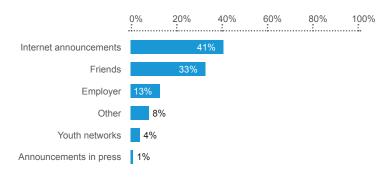
Young people, regardless of their inaction, propose several options for state intervention. These are the strict supervision over the programs and instruction process, rigorous oversight of the quality of academic programs for the specializations, introduction of new learning methods. It is clear that most of the young people see the problem in the academic programs and wishes to tighten supervision over both the process of its design and implementation.

30% of the young people surveyed have participated in additional courses and trainings.

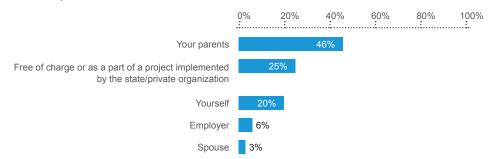
## ∠ 4.1 More efficient options for courses intended for young people



#### 4.2 Main sources of information about supplementary courses



### ∠ 4.3 Expenses associated with additional courses



As the most efficient option for continuing education the young people prefer private courses and then seminars and trainings.

This implies trainings by specialists and trainers and this is mostly seen as the option for acquiring strictly professional skills. Among young people online courses are the least popular. Only 3% of the young people surveyed went through this way of learning and find it efficient. If given the opportunity, however 66% of the young people surveyed would like to take online courses, 25% do not want to get educated through internet techologies, and 9% of the young people are not familiar with online courses and their nature.

In any case, the internet is the main source of information about courses needed to get involved in the labor market, followed by friends or employers.

Also, interestingly, the practice of turning to youth networks is not widespread. Only 4% of the young people were informed this way.

39% of the courses attended by young people were organized by private organizations and 30% by state bodies and almost the same number by individuals.

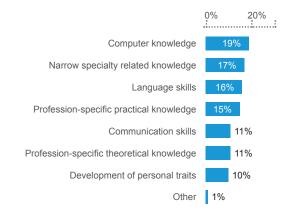
## 4.4 Attendance of courses for employment



In order to find a job 22% of the young people have attended computer courses, 19% profession-specific practical courses, 19% narrow specialization courses. 11% of the young people have attended language courses, 7% courses enhancing communication skills, 5% courses on certain personal skills.

Almost half of the additional courses for employment were sponsored by the young people's parents and only 20% of the young people paid for them themselves (presumably, young people who had jobs in the past or received a stipend or allowance). Only for 6% the employer has paid for the future employee investing in human resources. However, as already noted, the employers' feedback is that they train the young people, furnish them with narrow specialization skills, but they mostly either leave and use the knowledge gained to start their own business or find work abroad. Therefore, many employers in marzes are not inclined to train young people, transfer professional knowledge and skills since there are no guarantess that young people will work for them.

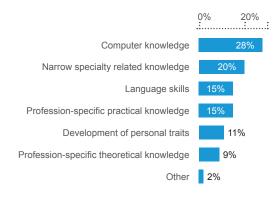
## ∠ 4.5 Courses needed to find a job



Many employers also noted that the young people surely need to develop their self-presentation and more importantly communication skills. This was especially stressed by the professionals in the area of customer service since, basically, the most essential working skills for the young people working in this sector are these very communication skills: the young people may not even need to have professional qualifications but they will need to have advanced communication skills.

The young people were also asked to name the supplementary course which they find necessary in order to enter the labor market. According to this we have the following picture. Most of the young people however consider mastering computer skills (the young people gain computer knowledge in academic institutions, schools, colleges, but they feel they lack this knowledge and skills most of all and end up mastering these skills through courses). The young people needed also courses on narrow specialization and language. However, the number of the young people needing language knowledge exceeds that of people who have already attended courses. This shows that young people understand it is necessary, but attend courses relatively less perhaps not regarded them as a priority. We have the same picture in terms of courses building communication skills.

#### ∠ 4.6 Self-acquired knowledge

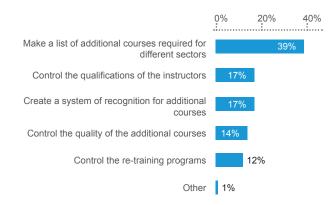


Let us also discuss self-acquired knowledge as a variation of informal education. So, 28% of the young people have gained computer knowledge and another 20% of them profession-specific knowledge on their own. So, most of the young people however fill the gaps in formal education on their own.

Internet is the main source of self-education followed by coworkers and personal contact with them and also books.

As the best way to improve continuing education the young people have made up a list of courses required for different professions. This will make it easy to determined the specific courses needed in the given profession. Another suggestion was to control the quality of instructors and create a structure that would control the quality of continuing education. A similar suggestion was voiced by the largest organization in Armenia providing continuing education since a clear system of recognition and quality control does not exist.

### 4.7 Possible improvements in nonformal education



34% of the young people have educated themselves for self-development, 24% in order to find a good job, 21% for work promotion, 16% are interested in the sector and 5% in order to get a job abroad.

86% of the young people want their self-education to be recognized that is receive an official document attesting to the knowledge they have gained.

The majority of the employers does not attach much importance to the diploma, since it is quite easy to pay and get a diploma and grades. As mentioned by most of the employers diploma is not education and not even a guarantee of it. A young person with no higher education but qualified and with experience may have an advantage over the one with higher education since the trust among employers towards the educational system of Armenia is quite low.

There is a view that students are not taught practical skills and education is quite isolated and does not correspond to the labor market, whereas buying a grade is easy. However, in narrow specializations, such as in medicine, for instance, diploma is simply a necessity though according to the employers it does not guarantee professionalism.

All the employers value and give preference to the young people with practical skills. So the employers prefer young people with experience. This is due to scarcity of resources of the employer to prepare a professional: the employer does not have the finances and the time to continuously invest in training having no guarantees that upon training the young person will not immdiately leave the company.

Young people working in the area of customer service may not even have a profession, and in this sector the employers consider personal qualities and ability to interact the most important. However, professional from this sector believe that non-formal or formal courses preparing sales professionals are simply a necessity. The probation is actively applied practice by the employers and the only opportunity to identify the potential of the prospective employee.

Employers view internet as the best source of informal education in any field since it is now even possible to get practical skills through internet sources.

Most of the employers think that vocational schools operating in the USSR were more effective than present colleges since the latter do not issue any qualification to the young person: they simply give knowledge.

All the employers stress the importance of state intervention and regulation of the number of applicants. The labor market across Armenia needs to be researched and the specializations in demand should be planned thus regulating the number of applicants. They believe it is the first step towards filling part of the large gap between education and labor market.

Often young people with higher education do not wish to work at jobs not related to their profession, and employers feel sorry for those young people who have a specialization but take up employment not related to their profession and leave the professional path without even starting on it.

To employers in marzes computer knowledge is essential, since this skill, not developed among the young people in marzes is the most required.

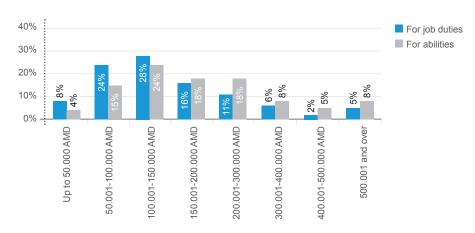
The non-existence of professional orientation system has its effect on both getting professional education and getting involved in the labor market. Introduction of a systemic approach to the professional orientation is regarded as one of the ways to solve the issue.

# The expectations and positions of young people in the RA in the area of employment

This section will present the expectations of the young people from work and their positions covering both material and not material factors.

28% of the young people would like to get 100-150 thousand drams, for their current duties and 24% will be content with 100-150 thousand drams for their skills and abilities.





Below we present the work conditions that are preferred and necessary for young people.

| Work conditions         | Desirable | Necessary |
|-------------------------|-----------|-----------|
| High salary             | 8%        | 15%       |
| Separated area          | 16%       | 7%        |
| Pleasant environment    | 9%        | 13%       |
| Qualified staff         | 6%        | 15%       |
| Comfort                 | 10%       | 13%       |
| Training                | 11%       | 11%       |
| Professional growth     | 11%       | 11%       |
| Business trips          | 18%       | 5%        |
| Social benefits package | 11%       | 11%       |

As shown above the most desirable conditions of work for the young people are business trips and a separate work area.

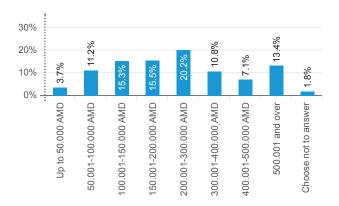
As primary necessary conditions of work young people chose high salary and professional staff, whereas pleasant environment and comfort are of secondary importance, that is, ventilation, lighting and other conditions. Interestingly, the pleasant environment, professional staff and comfort are not factors directly affecting the work: however young people consider them extremely important. It suggests that the motivation of young people does not boil down to merely material and monetary

motivation: non-material factors have a rather strong effect on the young people.

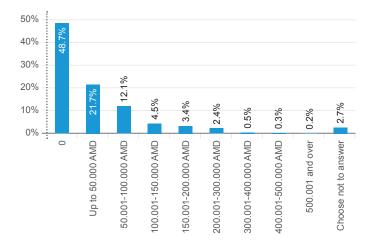
Young people have also estimated the amount needed to lead a "normal" life. In this case the concept of "normal" was not defined and young people presented their own perceptions of that concept. 20% of the young people needed 200-300 thousand drams to lead a normal life and 15% needed 500,000 and more.

If we add the picture of personal income of the young people to this we can see that around 50% of the young people surveyed do not have personal income.

∠ 4.9 Monthly income size to lead a normal life.



✓ 5 Monthly personal income of the young people

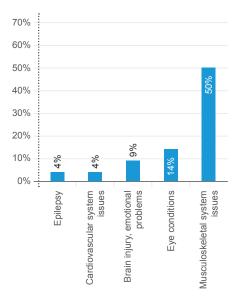


## Key issues for young people with disabilities in the area of employment

Here we will also discuss the employment issues of young people with disabilities and their distinctive features.

According to the research methodology we also included young people, with such health issues, that restrict their work capability and do not allow them to engage in any work activity. This is in addition to young people with disabilities who are registered in appropriate bodies and area assigned a certain category. Among such health issues we can consider post-surgical complications, chronic conditions, even a disease of an organ. 378 young people with disabilities participated in the study.

5.1 Main health issues of the young people



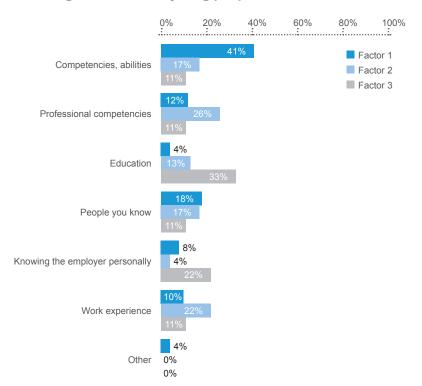
In the scope of the study of the young people the most common issues noted are those related to musculoskeletal system and eye disorders (the most common case is short-sightedness, with its acute cases often not allowing the young people to perform any jobs). The fact that the young people with musculoskeletal system issues were the most common can be explained by the so-called "visible disability". Frequently, other limiting conditions are not regarded as a disability. There were quite a few young people with epilepsy.

21% of the young people with disabilities who participated in the study are employed. Employed of the young people 10% are engaged in agriculture, 9% in state bodies, 8% in arts and sports. Among the young people surveyed we had well-known athletes who have won numerous medals, and on their path to success having a disability has not been an obstacle in any way.

66% of the young people surveyed are paid workers, 25% are self-employed and 9% are sole proprietors.

48% of the young people with disabilities participating in the study learned about their current job through people they know and friends. Only 4% of the young people learned about the job from websites. Armenian job websites do not contain separate sections for young people with disabilities.

5.2 Factors affecting recruitment of young people with disabilities



In contrast to practices common among young people, young people with disabilities view their competencies and abilities as key factors for getting a job wit the "people you know" factor coming the 4<sup>th</sup>. Interestingly young people rate education as the second key factor.

67% of the young people participating in the survey have signed an employment contract and only their 8% are not familiar with its content.

14% of employed young people with disabilities had their rights violated and it was mainly reflected in unfair treatment or cheating.

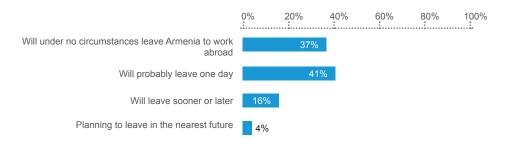
Most of the not employed young people participating in the survey cite health issues and having a disability category as reasons for not working, but the vast majority of the young people with disabilities have applied for a job 1-5 times. As main reasons for rejection the young people have in many cases noted lack of work experience and having a disability. In

addition, 35% of the young people formerly employed have cited personal reasons for leaving and inadequate working conditions. This may attest to the fact that working conditions and work environment had not met the wants and needs of young people with disabilities.

11% of the young people with disabilities participating in the survey are familiar with the programs of the State Employment Service. Specifically for young people with disabilities the SES has numerous programs: workplace adjustment to the needs of people with disabilities, salary compensation, etc. Of course, some experts have noted that there are employers, who upon expiration of the contract simply disimiss the young people. This demonstrates the need to revise the programs, extend the term and introduce a system of further evaluation. 52% of the young people knowing about the SES are registered in this service.

|                              | Source 1 | Source 2 | Source 3 |
|------------------------------|----------|----------|----------|
| Job posting websites         | 29%      | 10%      | 12%      |
| Websites of organizations    | 4%       | 0%       | 0%       |
| Announcements posted outside | 5%       | 9%       | 10%      |
| Announcements in newspapers  | 2%       | 7%       | 5%       |
| Friends, people you know     | 39%      | 36%      | 14%      |
| Mass media                   | 4%       | 7%       | 10%      |
| Job fairs                    | 1%       | 3%       | 5%       |
| Jobfinder agencies           | 2%       | 3%       | 5%       |
| Youth organizations          | 2%       | 1%       | 2%       |
| SES                          | 3%       | 7%       | 2%       |
| Social networks              | 5%       | 9%       | 10%      |
| Through volunteering         | 1%       | 1%       | 12%      |
| I visit potential workplaces | 0%       | 1%       | 2%       |
| Variou announcement websites | 0%       | 5%       | 7%       |

### **≥** 5.3 Attitude towards leaving for work abroad



As main directions of assistance the young people prefer *professional education, building skills to get hired and ensuring conditions for self-employment.* The SES can solve part of the problems. DEC directors also raised the issue of human resources since often their quantity and quality do not meet the requirements set.

For young people with disabilities a job searching resource is the social capital, people they know and friends.

Among the surveyed young people with disabilities 32% have CVs and 51% of the young

people looking for a job do not know the principles of drafting a CV.

23% of the young people surveyed volunteer. This indicator is generally quite different from those for the young people and so young people with disabilities are more inclined to volunteering. Of course, this can be due to the events put together by a number of NGOs, which can also be joined by young people with disabilities.

Among young people with disabilities the share of those not inclined to leave Armenia in order to find a job is larger. And the number of young people, who have already taken certain action to leave for work abroad, is lower. In this case as well Russia is the most popular country among the young people. 61% wish to leave for that country.

Only 23% of the young people with disabilities attended additional trainings and courses. The rest of the young people are not involved in the system of non-formal education. Below are the courses most demanded among the young people.

| Language courses              | 7%  |
|-------------------------------|-----|
| Computer courses              | 11% |
| Narrow specialization courses | 5%  |
| Practical knowledge           | 6%  |
| Communication skills          | 5%  |

Computer knowledge is the most demanded both by the young people and employers. Communication skills are also popular among young people with disabilities.

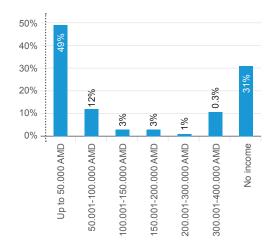
40% of the young people with disabilities have educated themselves in order to get involved in the labor market. Through self-education young people have mostly mastered computers and languages and gained specialized and practical knowledge.

The most preferred for the young people with disabilities are the language courses followed by computer courses. Apart from this the employers need such employees who have advanced language skills since in the private sector there is often a need to serve customers in a foreign language especially in tourist towns like Dilijan, Ijevan, Tsakhkadzor, etc. Also, they need to communicate with foreign partners or suppliers, but the employee is not able to do it. So addition of language courses can solve the employment issue of young people with disabilities.

67% of the young people only have general education, around 13% have vocational education and 20% have higher education. Young people with disabilities are not only much involved in the labor market, but also cannot be competetive, since most of them have only general education.

For young people with disabilities the primary source of income is the parental support, then the state pension. Nonetheless, in the situation when the only source of income for the young person is the state pension albeit small, the young people themselves state that the most critical assistance by the state is the social, that is, financial assistance, which at least allows the young people with disabilities to somehow support themselves.

**≥** 5.4 Average monthly income of young people with disabilities



Around half of young people with disabilities has an income of up to 50000 drams. Only 22% of the young people with a disability or certain health issues trust the fairness of the recruitment process in Armenia. The majority either does not trust or trust with qualifications. The beliefs of the young people that it is impossible to get hired without connections or people you know underlie this fact. And an-

other part of the young people simply fear being exploited. The grounds for the first belief are seen in the reality where the vast majority of the young people get hired based on the information and possibly recommendations from the people they know and relatives. The second belief is based on inadequate information the young people have on the labor code and their rights.

27% of the young people with health issues are not registered in social security bodies. So, there is a large group of young people that actually have health issues, making it difficult to get involved in the labor market or perform certain types of jobs but these young people are not registered as people with disabilities and therefore cannot even get state assistance.

Below is the list of jobs that the young people themselves believe they can perform without difficulty.

It is possible to study the labor market and people with disabilities and accordingly, for each health issue come up with a certain group of jobs and set up a system where this information and vacancies will be accessible to all the beneficiaries.

| Health issues                   | Potential job  |
|---------------------------------|--|
| Hearing problems                | Office work, unskilled labor   |
| Vision problems                 | Office work, unskilled labor   |
| Cardiovascular system problems  | Not heavy unskilled work   |
| Musculoskeletal system problems | Office work, design, tailoring, customer service, any sedentary work |
| Nephritis                       | Not heavy unskilled work   |
| Brain conditions                | Customer service, design, tailoring                                  |

## The types of young people in the RA by employment sector

### **Employed young people**

- By formal education
- By non-formal education
- By informal education
- By existing disability
- By main sources of job search
- By search of new job
- By attitude towards leaving for work abroad

### Not employed young people

- Not employed young people seeking employment
- Not employed young people not seeking employment

#### Out of the labor market

- Temporarily, young people serving in the RA Armed Forces, serving their sentence in correctional facilities, young people without IDs (passport, confirming refugee status) or without citizenship
- Permanently, young people recognized incapable for work

Let us present the main groups of young people in terms of the employment issue. Notionally, we can classify the young people into three main groups presented below:

Based on other criteria the young people could be united in narrower groups but the presented classification best reflects the distribution of young people in the labor market.

First let us talk about those young people who are out of the employment picture. They can notionally be divided into those who are out of the picture on a permanent and temporary basis. The young people, who for the given period serve in the RA Armed Forces are temporarily out of the picture. It concerns only mandatory term military service, since there are also contract-based military for whom this is employment. Those young people serving sentence in correctional facilities are temporarily out of the picture as well. By the way, upon leaving the correctional facilities this group also remains vulnerable since often employers are simply not willing to hire them once they know their background.

Young people from orphanages are also included in the vulnerable groups, since often they do not have the opportunity to get education rendering them not competetive in labor relations. Permanently out of the picture are those young people whose health or disability simply does not allow them to work.

The introduction of MAST-TEST system in 2014 will bring about a great deal of change in this process. This test assesses the competencies and abilities of people with disabilities. 19 tests with increasing difficulty are conducted to provide information on the competencies and physical abilities of people with disabilities. The introduction of this system aims to make the connection between the person with a disability and the employer more efficient. This way the employer assesses the abilities of that person. However, the efficiency and the information exchange between people with disabilities and employers will be determined down the line.

Not employed young people can be broken into those looking for a job and those economically not active who are not looking for a job, are not studying and do not want to work.

40% of the young people not employed are still styding. The remaining 60% are not engaged in learning and are considered economically not active. 48% of people with disabilities are not looking for a job convinced that the disability itself or the health issues are the rea-

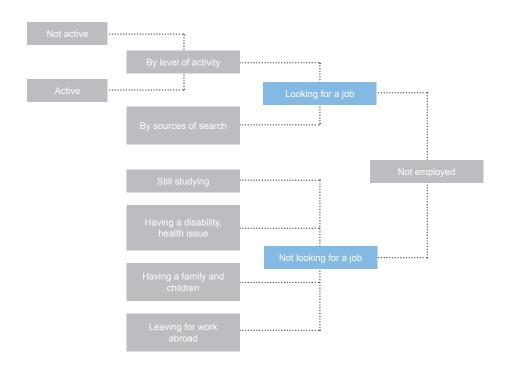
sons for rejection although most of them have applied for a job once or twice. 90% of economically not active people are women who for different reasons do not wish to work. This can be due to childcare or husband's/family's objection to her employment. This group can be notionally called "homemakers", for who the employment issue is not primary for the given period of time. 38% of the young people not employed are going or wish to leave for work abroad. This group can be called "external labor market resource".

For 35% of the young people who are looking for jobs and are not employed, people they know and friends are the primary source of information and only for 14% it is the social networks and job posting websites. Given that nearly the entire territory of Armenia has internet coverage, the main issue is that often the youth in rural communities do not own computers (as per employers from marzes), which limits the computer literacy and the use of internet sources.

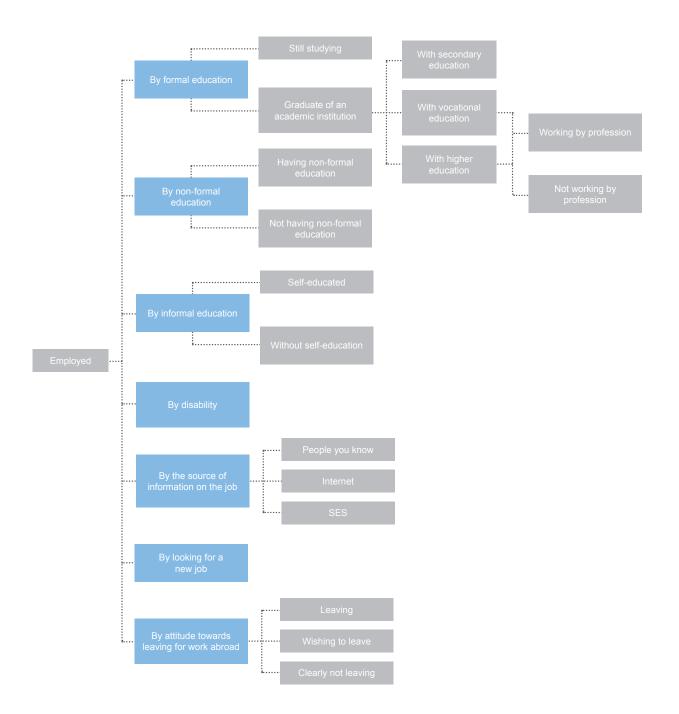
Discussing the intensity with which young people search for jobs we can say that 43% of young people dedicate 1-2 hours a week to the job search. Given that so little time is dedicated to looking for a job and the fact that people they know are the primary source of information, it is difficult to talk about active job searches. We can notionally call this group "passive searchers".

Since by definition used by the state young people who are still studying are not regarded as unemployed, and their "employment" is getting education, 22% of the young people who study are involved in the labor market. This group of young people can combine education and work. If we assume that the young person can study and work at the same time then the figure for the wishing to work but not working or in other words, for the unemployed would be 36%. We can notionally classify working and studying young people in the group of "active or having double employment".

✓ 5.5 Types of not employed young people



## 



40% of the employed young people have only secondary education, which means they do not have professional education. Of course, young people who are engaged in agriculture on own land, are also part of that group, and 24% of the employed have vocational education. This question was discussed by many employers and key experts. The thing is that they do not find the existence of colleges much justified since it is often hard to draw the line between the students of different types of colleges. In a situation when graduates of higher education institutions are having hard time finding jobs, "college" graduates face this problem more often. The idea of restoring the former vocational schools has been circulated many times since the sector of crafts is practically vacant while the employers often talk about the demand for young craftspeople. 35% of the employed young people have higher education. Here the system of professional orientation is also stressed and its existence in few places. Despite the existence of a methodological center this issue is not addressed and it is possible that professional orientation of the young people, understanding of own strengths and weaknesses and breaking of professional stereotypes will pave the way for the solutions of the youth employment issue.

33% of the employed young people have attended additional courses in order to find a job. In one of the leading Armenian organizations conducting accounting and business courses we heard that people who turn to them are not the unemployed which means that their courses are attended by employed people who wish to continue their education prompted by employment conditions or their interest. This figure is mostly composed of people who have attended language or computer courses.

Non-formal courses are needed not only to fill the gaps of formal academic institutions but also to ensure career advancement. This way, 30% of the young people are "those realizing the need for continuing education" who go further than formal education system.

66% of the employed young people have tried to develop their skills and knowledge on their own in order to fill the gaps of formal education. Although in this case as well they tried to improve computer and language skills, however young people have realized that it is impossible to solve the employment issue in Armenia without additional measures.

Several main groups are outlined according to the job-searching sources: young people getting information from people they know and relatives and this group predominates in our reality, those who get information from various internet resources, social networks, job posting websites and various announcement websites. But this group is made up of young people, who have computers and internet access. The State Employment Service with its district centers is not so popular among the young people and their awareness of them is very low. It is unfortunate that given the rather diverse and hands-on programs available the young people are simply not aware of this structure and its programs. 91% of the young people surveyed are not familiar with the SES. In their turn, DECs need systemic and comprehensive information on the labor market. The issue of human resources was also discussed and interestingly, the available human resources management specialists look for a job while this very structure is seeking young. qualified professionals.

## Independence index

The level of independence of young people in terms of addressing economic issues (including financial), issue of social organization (associated with social partnership, performance of social roles), self-fulfilment in the labor market, supporting themselves was determined through the independence index.

So the youth independence indicator is made up of 4 key components: financial independence, economic independence, mental and daily life independence.

First, we will discuss the features and distribution of each type of independence, then the independence composite index for Armenian young people.

#### Financial independence

Financial independence represents the young person's ability to cover the expenses associated with basic necessities in the family.

The research data lead us to the conclusion that the financial independence of young people surveyed is quite low. Among those surveyed the financial independence average indicator is **0,3** points (for a [0-1] scale):

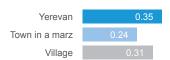
Data show that the financial independence of the young people in the RA is rather non-homogenous, polarized, since around 63% demonstrate complete financial dependence and around 25% demonstrate complete financial independence.

This way, the majority of the young people are in complete financial dependence and only one quarter of them are fully able to financially provide for themselves.

The difficulties in the course of the study on financial independence associated with the fact that young people were not necessarily aware of their expenses are also indicative of their low financial independence. So, the lack of awareness of the expenses in own family (in which they live in the given period) also attests to not high independence.

When describing groups of young people by financial independence we should note that males over 23 are financially more independent. In addition, the young people who have experience of working abroad are more independent. The research data show that, those young people who reside in Yerevan, are mid-level or top managers, are employed as permanent paid workers or render services are financially more independent. Young people in *rural* areas record average indicators of financial independence being engaged primarly in agriculture or work abroad. The state of the young people living in towns of marzes, whose financial independence is rather low is more problematic (Figure 5.7).

5.7 Financial independence index average values by type of populated place



Interestingly the family's social status is closely linked to the financial independence of the young people. The young people coming from low income and mostly high-income families exhibit low financial independence and those representing middle-income families demonstrate higher independence.

Also worthy of note is the fact that the financial independence of young people with secondary vocational education is quite low.

Interestingly, employment history is not directly connected with financial independence,

that is how many years the young person is employed, in how many places he/she works, field of work, position, nature of work.

Apart from all of this, the young person's marital status is not an influential factor.

In fact, this is indicative of the reality that in Armenian families the married status of the young person does not necessarily promote his/her financial independence. The financial needs of the new family are mostly taken care of by the parents. This shows that communal models in the society both in villages and cities are at work.

### **Economic activity**

Economic activity shows the intensity of young person's actions directed towards employment. Economic activity implies the efforts the young person makes in order to get involved in economic relations. In order to research this indicator we need to understand the young person's employment and involvement in it or his/her efforts towards becoming employed.

Young people demonstrate a rather low level of economic activity. The average value of the economic index was 0.29 points on a 0-1 scale. According to the research data 53% of the young people does not demonstrate any economic activity and 19.1% exhibits maximum economic activity. In this case we witness a similar situation while comparing it with the young people's financial independence. It should be stressed that financial independence and economic activity are naturally closely linked (the correlation coefficient value is 0.604), so the more economically active the young person is, the more independent he/ she is financially.

However, these two characteristics are in essence different from each other. For instance, rural youth demonstrates a lower level of economic activity than that in urban areas. This

is due to the distinctive features of rural and urban employment.

In this case we should discuss the controversial situation with the young people living in marzes. While demonstrating medium economic activity, these young people however demonstrate quite low level of independence. So, in a town in marz the financial independence of a young person is not determined by economic activity.

Economic activity unlike financial independence is closely linked to the marital status. The divorced and widows/widowers are economically more active and single young people exhibit a medium level of economic activity. As for the married people, their level of economic activity is quite low. So, in this case we see that divorce or becoming a widow makes the young person economically more active, however this fact does not lead to significant financial independence.

The contradictions between the financial independence and economic activity attest to the problematic situation in the labor market for certain groups of young people.

The field of work, job position and other characteristics of work are considerable factors for economic activity unlike financial independence

All the other patterns are observed also for the level of economic activity, in line with the financial independence.

The maximum level of economic activity is observed among males. This means they work longer hours or have more years of work experience than females, whose figures are much lower than the average indicators. Yerevan youth is more independent that that in marzes.

#### Daily life independence

Daily life independence implies that the young people can choose, buy and prepare food, clothes and items of hygiene for themselves.

The average is **0.47**, which is higher than the characteristics above. The daily life independence is more homogenous in comparison with financial and economic components.

For daily life independence the age is an essential factor: older people are more independent. after 23, daily life independence of the young people is over 0.5 points. Women are more independent in daily life than men. Education is also an influential factor for daily life independence, although in essence it reflects the effect of the age factor, since young people who study demonstrate lower independence, but with the rise in the educational level the daily life independence also increases.

In terms of daily life Yerevan residents are more independent than young people in marzes. In addition, young people living in the towns of marzes demonstrate a lower independence in daily life than others. Working young people, as well as those engaged in work abroad demonstrate significantly higher independence in daily life.

Other characteristics of work, such as the status, nature of work, etc are not essential.

Also, the marital status has a natural effect on daily life independence: not married young people demonstrate a lower independence in daily life.

Interestingly, the level of family's welfare does not considerably affect the daily life independence of the young people.

### Mental independence

Mental autonomy is characterized by human values reflecting the individual's tendency to act, based on own abilities and creative and innovative solutions.

In fact, mental independence, compared to all the components of independence is the highest: the average value is **0.57** points on a [0-1] scale.

Interestingly, mental independence is not so closely linked to the financial and economic indices. The connection is weak (correlation coefficients do not exceed the 0.15 value).

It is quite homogenous and is concentrated around average values. Typically, there are no young people who are mentally completely independent young people. It means that this quality has a stable distribution unlike the financial and economic components.

Typically, the marz is a significant factor for mental independence. Yerevanian youth demonstrates a higher mental independence. Interestingly, for urban and rural youth in marzes the mental independence is essentially the same.

Mental independence is tightly linked with the involvement of the young person in the labor market: working young people are mentally more independent. Typically, the young people holding higher positions and those holding multiple jobs are mentally more independent. Mental independence also determines the employment status, main source of income, social status. So, the self-employed, sole proprietors as well as those with high employment status demonstrate a higher level of mental independence. So, mental independence promotes the involvement in the labor market and career advancement, however the field of work, time employed and other characteristics are not significant factors for mental independence.

Generally, mental independence drives the young person to strive for professional work. Those receiving education are more independent, at that the higher the educational level is the more independent they are. Also, young people from richer families are mentally more independent.

Interestingly, past migration activity is not associated with mental independence unlike the financial independence.

Gender is not connected with mental independence. Age has certain effect but this dependence is not straightforward.

#### Independence composite index

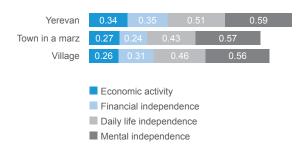
Summing up the review of 4 components we can state that the findings of the research show that young people can essentially be described by independence composite index since all the components analyzed are significantly correlated with each other. The effects of the components however are different from each other. The weakest correlation was recorded between daily life independence and mental independence (0.09), and the closest connection is between financial and economic independence (0.6). The remaining correlations are close to 0.3.

The young people in the RA demonstrate a relatively higher mental independence indicators. Among the young people the level of economic activity, as well as financial independence are more vulnerable, whereas men-

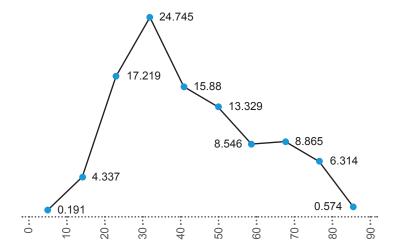
tal independence without recording the highest indicator has a maximum average value nonetheless.

The comparison of average values of independence components by type of inhabited area is presented below. (Figure 5.8)

5.8 Comparison of average values of independence components by populated place



Speaking of the aggregate independence index we should note that Armenian young people demonstrate a lower than average overall independence value: The average value of the independence index has made up 0.4 points for [0-1] scale.



The independence of the young people, is naturally more closely linked to involvement in the labor market: average values of the independence index for employed and not employed young people are significantly different and young people engaged in the labor market demonstrate greater independence.

Independence drives the young people to obtain a higher employment status. In this regard, the social and employment statuses and the job sector play an important role. Sole proprietors, paid workers are more independent, unlike the self-employed. Those with higher employment status are more independent.

Another curious fact to note is that the independence of married and single people is almost the same. The divorced and widows are significantly more independent.

People representing rich families are more independent.

The independence of those with disabilities is rather low, but is not the minimal value (around 0.31):

Education is also an important factor: the higher the educational leve, the more independent the young person is.

On average, males are more independent. Age is a siginficant factor as well: with age independence also increases.

Migration experience significantly affects the independence: those with such experience as well as those wishing to leave for work abroad are more independent.

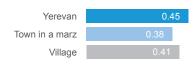
Looking at independence of the young people

on the level of marzes we see that the highest independence indicator in RA was recorded in Vayots Dzor, then Yerevan, with the lowest in Kotayk.

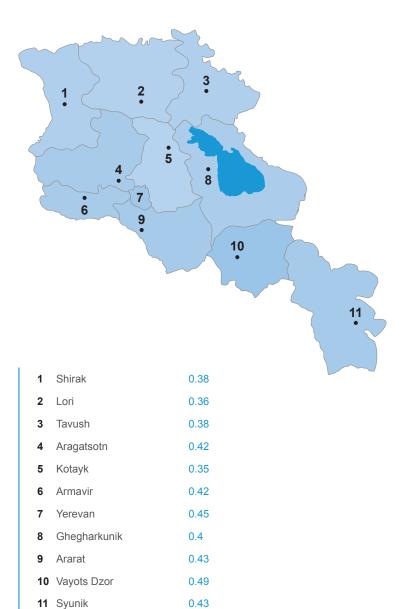
From independence point of view marzes of Kotayk, Lori, Shirak, Tavush are the more vulnerable ones.

Young people living in the towns of marzes demonstrate a lower level of independence.

6.1 Average values of independence index by place of residence.



## 



Young people living in the towns of marzes demonstrate a lower level of independence.

## 

| Yerevan        | 0.45 |  |
|----------------|------|--|
| Town in a marz | 0.38 |  |
| Village        | 0.41 |  |

#### Summary

- The research determined and measured the independence level of the young people, which characterizes the degree of autonomy of the young people in terms of addressing the financial issues, as well as issues of self-fulfilment in the labor market, providing for themselves and social organization. Independence shows the potential of the young people to adjust to the economic conditions in the market.
- The research findings showed that young people described with high level of independence hold a higher employment status in the labor market, are better educated and lead a more comfortable life.
- Despite the fact that all the characteristics of independence are interconnected the independence of the young people studied has quite a complex structure. Armenian young people demonstrate a higher level of mental independence and it is more homogenous. In daily life Armenian young people demonstrate a middle level of independence, which means that they are generally able to solve the issues they face in daily life on their own. However, young people show a lower level of independence in financial and economic spheres.
- A certain mismatch between the financial independence and economic activity indicated vulnerability of the young people's status in the labor market. It is more pronounced in the towns of marzes where young people, demostrating medium level of economic activity are however characterized by low financial independence.

- Young people residing in towns of marzes are described with a relatively lower level of independence that those residing in Yerevan and rural areas. The young people's level of mental independence that is basically the same among the residents of marzes and the level of economic activity that is higher among the urban population of marzes than rural is an exception. In other words, the characteristics of independence of the young people residing in towns of marzes are problematic and controversial.
- The above mentioned contradictions in the context of marzes are reflected in the differences in the levels of the young people's independence. So, in marzes with predominantly urban population, lower values of independence index are recorded. Marzes of Kotayk, Lori and Shirak are among such. Interestingly, the northern marzes are generally characterized by lower indicators of independence in contrast to the southern marzes. Those residing in Yerevan have higher independence indicators.
- The picture of gender-defined independence is also somewhat controversial: generally men are more independent than women. But, interestingly in terms of mental independence no differences between men and women are observed. Women are more independent in daily life. As far as level of economic activity and financial independence, men are significantly more independent than women.

## Conclusions

Summing up the research on youth employment we can draw the following key conclusions:

- This rate of reduction in the number of young people decreases the number of people who represent labor resources and this is a direct risk for the RA economy.
- Due to methodological discrepancy relevant state bodies are not able to get the realistic picture of youth employment since it is impossible to judge about actual unemployment given such a level of information about SES. Theoretically, part of the economically not active students and people with disabilities are actually involved in work relations. Youth unemployment figures are twice more than the 11% recorded by the state.
- Nearly 30% of young Armenians are currently economically not active. They are neither working nor studying and do not want to work. This group is made up of mostly women.
- The youth employment figures are lower than in a number of countries. Only 28% of the surveyed young people are employed. Armenian young people are predominantly paid workers on a basis of permanent employment.
- Mastering crafts is not very popular among young people while this is where employers need young human resources.
- There is excess of demand for certain professions, while some are not demanded at all by the young people.
- The system of professional orientation is not in place.

- Young people are not aware of the demand in the labor market.
- Almost 25% of employed young people have not signed an employment contract.
- For 40% of the young people job duties and functions are set by the employer verbally.
- Around 30% of the employed young people work not by profession and failing to find a professional job engages in commerce, construction and defense and law enforcement sectors.
- For 63% of the employed young people the relatives and people they knew were the sources of information abour their current job.
- For employers finding an employee through the people they know is a measure of trust.
- Under current economic conditions the employers are not sure about the stability of their business so they prefer reliable and trained professionals.
- Having higher education does not guarantee employment, and the unemployment issue is equally faced by young people with higher education and without one.
- For the employed young people knowing people and personal competences are more influential factors than professional education and abilities.

- Most of the young people believe that the professional education sector does not match the demands of the labor market, and it is not very likely to take up professional employment upon finishing your studies.
- Reference is both a positive and negative practice for the employer since it allows them to find reliable employees, but makes it harder to settle labor relations.
- 60% of the employed young people do not trust the fairness of the recruitment process. 20% of the young people not employed trust the fairness of the recruitment system.
- For the young people looking for a job people they know and friends are the primary and most used source of information on the jobs.
- Young people are not happy with the insufficient information about youth organizations and the number and nature of jobs offered at job fairs and recruitment agencies.
- For the young people a key factor among the terms of employment is the salary size, although non-material factors like the staff and being interested in the job are also very important to the young people.
- For young people the best non-material incentives for work are business trips and having a separate working area.

- 60% of the young people looking for a job do not have a CV, and 40% of the young people surveyed do not know the principles of drafting one.
- Highest unemployment rates are recorded in 21-25 age group and somewhat reduce for 26-30 age group. 21-25 year-old females are in the most vulnerable state.
- The highest unemployment figures were recorded in the marzes of Shirak, Syunik and Aragatsotn.
- 60% of the young people participating in the study will potentially leave for work abroad and 7% of those surveyed are already leaving for work abroad. The largest group of those leaving is made up of 21-25 year old males. Most of those leaving have made verbal agreements regarding the job.
- For the young people sources of information about the work abroad are friends and people they know, and the travel expenses are mostly covered by the parents.
- 50% of the young people surveyed will leave Armenia in case of such a decision made by the family or failure to find a job.
- The nature of work abroad does not necessarily have to be professional. For young people the job availability alone is a reason to leave.
- For the young people the most negative aspect of leaving for work abroad is being far from the family.

- Young people learn about additional courses mostly through the internet sources and it is mainly parents who pay for them. 30% of the young people have got involved in the continuing education system in order to find a job.
- 60% of the young people educate themselves mostly referring to internet sources. The recognition of selfeducation is important for the young people. This is also important for the mployers, who do not have evidence regarding the knowledge and abilities of the young people.
- 55% of the young people surveyed did not have any monetary income at the time of the survey.
- 25% employment was recorded among young people with disabilities or health issues. Young people with disabilities encounter the problem of getting information the most, since there is no such integrated system, that would provide information to the young people and allow them to find a job according to their needs.
- Among the young people with disabilities the most required are the courses on building computer and language skills.
- A number of structures directly or mediated are engaged in the issue of youth employment but a body that would coordinate their work does not exist.

 The weakness of the monitoring and evaluation system in the course of a number of events, including job fairs, job exchanges does not make it possible to bring these events in line with the expectations of young people.

## Recommendations

Based on the conclusions above we present the key recommendations:

- In order to get a more realistic picture of the youth employment, the study methodology approved by the state, needs to be revised. This concerns particularly the system for registration of the unemployed, as well as issues around the employment status of schoolchildren and young people with disabilities.
- In order to raise the efficiency of the state programs raise the awareness of state employment service and other state programs among the young people.
- Take steps across the system in order to raise the youth employment figures involving all stakeholders and tapping on their potential' academic institutions, youth organizations, recruitment organizations, public and private websites, international structures. The coordination of the measures taken by the parties will be performed by a state agency, which will draw together all the information flows and measures with regard to youth employment.
- Create an integrated state-wide system
  of job searching, where the data will be
  collected and constantly analyzed and
  where all the vacancy announcements
  will be stored as will the data on the
  young people seeking employment.

- orientation system with the involvement of teachers, parents and informing the students on current professions, their essence and demand for them as well as active introduction of professional orientation system at schools. Building conceptions about local and country-wide labor markets among schoolchildren. Forming perceptions on crafts among young people.
- Raising awareness among young people of the formal descriptive and regulatory tools of the work relations, motivating young people to get involved in the formal employment system.
- Formalization of probation and provision of mutual guarantees legally for the young person and the employer.
- Furnishing the young people with knowledge, skills and information on CVs as a primary means of presentation to the employer.
- Introduce a regulatory system for the young people leaving for work abroad. In Armenia the most important factor for the young people is the family. So this very factor-the involvement of parents, can prove influential in this process.
- Supervision of professional internships and bringing them into compliance with the current requirements in the labor market.

- Introduce a system of recognition of the results of non-formal education, which will be useful to the young people in presenting their competencies and knowledge to the employer, as well as to the employer to understand whether the courses attended by the young people meet certain minimum requirements.
- Establish an integrated source of information for young people with disabilities or health issues, where every young person can find employment according to their needs.
- Creation of an integrated database, as well as a system for people with disabilities apart from the internet, which can act as a different platform since the internet is not yet fully accessible in all the communities in Armenia and not everybody has a computer, and even when they do, not all of the young people necessarily have solid computer skills.
- Add more part-time jobs, allowing young people to combine work and studies to acquire professional or simply work experience while still studying.
- Introduction of monitoring and evaluation system in the state and other bodies securing youth employment.

## **Abbreviations**

**YPD** – young person with disability

**UNDP** – UN Development Program

**SES** – State employment service

**DEC** – District employment center

MoLSA - Ministry of Labor and Social Affairs

MSYA - Ministry of Sport and Youth Affairs

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## The issues of youth employment in the RA

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Review of the findings of the sociological research