

## COMPARATIVE PECULIARITIES OF THE LABOUR MARKET OF YOUNG SPECIALISTS IN RUSSIAN AND CHINA IN THE LAST DECADE

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**Abstract:** *In modern society there are people who want to work and there are people who want to employ them. Both these categories are the labor market. As an economic category the labor market has long been considered as a phenomenon related to capitalist countries and unemployment was a consequence of labor market relations resulting from the numerous contradictions between labor and capital.*

*The peculiarities of functioning the labor market are influenced by the following factors: salary dynamics; state of the national economy (the labor market is one of the most influenced by other markets); dynamics of incomes that are not formed under the influence of the labor market (an increase in the amount of child benefits leads to changes in the state of the labor market); dynamics of population's leisure preferences; changes in psychological perception of some professions and specialties (reducing the prestige of particular professions results in transforming the labor market); dynamics of the demographic situation, etc. Thus, the labor market is a fundamental element of the national economy.*

*Nowadays the development of the labor market is closely connected with training young specialists in Universities. The interaction of higher educational establishments with employers and the successful employment of graduates is one of the most important criteria for assessing the quality of the establishments' activities and the level of competitiveness in both the labor market and the market of educational services.*

*Moreover, one of the main tasks of any higher educational establishment is to train specialists possessing professional competencies, able to adapt to the manufacturing process, showing flexibility and initiative. It's possible to solve this problem on the basis of functioning an effective system of higher education that considers tendencies of the world development.*

*Another task is to make complex cooperation between Universities providing students with theoretical knowledge and enterprises that are places for developing their practical skills. The relationships between the higher educational establishments and employers contribute to modernizing educational programs and curricular; implementing design and technological master programs with corporate orientation; establishing basic departments, education facilities and laboratories; building targeted training for students.*

*And the third task is to help graduates become more competitive in the national and international labor markets. It's one of the most global problems today and it can be solved by establishing various relationships between countries and universities.*

*The Ural Federal University named after the first President of Russia B.N.Yeltsin is a good example of the higher educational establishment that actively promotes graduates to take their places in the labor market. It is a good training center that helps young professionals to find work in enterprises, assists in setting up new companies, motivates for teaching activities in various educational institutions of the region and the country.*

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*Similar educational and economic policies are conducted in China. They take into account supply and demand of the labor market, its national peculiarities and prospects for further development of the country and labor force.*

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## **INTRODUCTION**

**T**he problems of youth are always under scrutiny by the government officials, humanitarian scientists and international organizations. The most unsettling and topical problems in the contemporary field of work is related to significant changes in economic structures, forms of employment and work organization, work content; raising diversity, flexibility and dynamic. Young people all over the world face with more and more challenges.

Our investigations show that young people in Russia and China are actively involved into the economic life of the country. In 2015-2017 they were more likely to start working earlier, to combine work with study, to engage in entrepreneurship than in 2006-2008. Generally, the population notes the increase in the jobs' opportunities, and especially for young people. At the same time, a series of specific features and contradictions in the youth labor market of Russia and China was revealed: increasing demand for quality jobs against decent jobs deficit and precarization; bigger number of the youth employed in the economy and smaller number of youth, registered in social insurance funds; increasing share of young people with higher education along with delay in modernization of the economic structure and jobs; growing differentiation of regional labor markets despite of globalization and intensified migration.

## **METHODOLOGY**

The problems of employment and labor market were interesting for many scholars from different countries of the world. Professor A. Bulatov determines the labor market as labor supply and demand ratio. So, his definition is very brief and distinct [1].

Meir Kohn defines the labor market as the quantity of labor employed in the economy that is determines as the interaction of two groups – firms and workers. The willingness of firms to hire labor constitutes the demand for labor; the willingness of worker to be hired constitutes the supply of labor [2]. His definition shows the connection between employers and employees.

B. Raizberg confirms that the labor market is the sphere of supply and demand for labor. This market is possible only on condition that the employer is the owner of his ability to work. From his viewpoint through the labor market, labor is sold for a certain period of time [3].

A lot information on the labor market and employment is introduced in analytical and statistic materials as this problem is very topical nowadays.

## **DISCUSSION AND RESULTS**

In the last decade, the country's social and economic development is impossible without introducing innovations, improving technologies, increasing competitiveness, realizing human potential, investing money in education, training specialists, improving living standards of the population and etc. Thus, one of the most important components of the economic development of the country is the labor market that is the place where employers and employees interact with

each other. In the labor market employers compete to hire the best and the employees compete for the best satisfying job.

Unfortunately, the society still faces many problems, one of which is labor employment. Nowadays, there are several ways of employing the population: appealing to friends and acquaintances, applying to state employment agencies and commercial employment services, applying to the employer and other ways that are presented in table 1 [4].

The table shows that there is a great number of people who try to find a job and use different opportunities for it. In order to solve this problem, on the one hand, the state should provide some assistance to the population in employment, and on the other hand, educational institutions should train professionals who can easily adapt to the production process and have professional competencies and help them find a job as well.

**Table 1 - Distributing the number of unemployed by means of job searching  
(as a percentage of the total)**

	Unemployed total	People used the following methods of job searching						
		applying to state institutions of employment services	contacting the commercial employment service	submitting advertisements to the press, the response to them	appealing to friends, relatives, friends	direct appealing to the administration, the employer	searching for land, buildings, machinery and equipment, etc. to open their own business	other ways
Total 2000	100	27,9	2,4	21,9	59,0	31,2	1,0	11,6
2005	100	34,6	3,7	17,5	54,7	26,0	1,6	9,8
2010	100	38,3	2,7	21,9	53,9	23,7	0,7	8,6
2011	100	34,7	3,0	23,9	57,5	25,5	0,9	7,8
2012	100	30,1	3,0	29,2	60,8	28,5	1,2	7,1
2013	100	29,5	3,4	33,1	59,4	28,0	0,9	6,4
2014	100	28,0	4,2	39,1	62,9	29,1	0,9	8,0

To some extent, the level of education got is one of the main criteria for the population's employment. So, according to statistical data in Russia for the period from 2000 to 2014, the largest number of unemployed has a secondary education, followed by specialists who got higher education, and their number increases every year (table 2) [5].

In order to reduce the percentage of unemployed with higher education, Universities need to establish and develop partnerships within the "University-employer", and also to orient educational programs on the labor market. Today, the employment of graduates is one of the key indicators of the effectiveness and competitiveness of the university.

**Table 2 - Distribution of the number of unemployed by level education  
(as a percentage of the total)**

	Unemployed, total	Including those who have education					
		higher education	By program		secondary education	basic general education	Don't have basic general education
			training mid-level specialists	training skilled workers (employees)			
Total 2000	100	13,3	26,3	12,2	31,5	14,1	2,6
2005	100	13,1	19,5	18,6	33,4	14,2	1,2
2010	100	15,0	20,8	20,8	32,4	9,9	1,0
2011	100	15,9	20,5	19,8	32,0	10,6	1,2
2012	100	16,4	19,3	20,3	32,8	10,1	1,1
2013	100	17,4	19,7	19,4	33,3	9,5	0,9
2014	100	18,2	19,7	20,2	31,5	9,6	0,9

Previously, there was a system of graduates' distribution in Universities, which, unfortunately, is not popular in recent years. This system was a certain guarantor for young professionals in employment, and also allowed graduates with theoretical knowledge to receive and improve practical skills at industrial enterprises. The data in table 3 show that in Russia for the period from 2000 to 2014, the highest percentage of the unemployed is the age group from 20 to 24 years, i.e. just those who graduated from higher educational establishments.

The emergence of a multi-level education system considerably complicated the process of employment. In the opinion of the majority of employers, graduates with bachelor's degree do not have sufficient knowledge. Thus, when applying for a job, preference is given to those who graduated from the master's program.

In recent years, the number of students who got the bachelor's degree and continued their studies at the Ural Federal University named after the first President of Russia Boris N. Yeltsin increased by one third. According to statistics, this opportunity is actively used by representatives of mathematical and natural scientific areas of training (55%), as well as future engineers (47.2%) [6].

Graduates of the master's program in economic fields with basic training in mathematics, physics and other natural sciences are always in demand by employers. In particular, according to the rating "Best Employers – 2016" prepared by the Russian company "Future Today", and according to the observations of the leading Russian employers, the Graduate School of Economics and Management of the Ural federal University entered the top 30 most required by employers among the largest Universities in Russia [7].

Table 3 shows the employment of graduates of the Ural Federal University in 2016 according to the fields of science [6].

**Table 3 - Employment of graduates in 2016 according to the fields of science**

Direction of training	busy total, %	continued education, %	got employed, %
<u>Mathematical and natural sciences</u>	89,9	55,0	34,5
Engineering, Technology and technical sciences	91,4	47,2	43,1
<u>Social sciences</u>	88,3	26,0	61,9
Humanitarian sciences	87,1	33,0	52,9
<u>Art and culture</u>	98,9	28,9	70,0

It can be seen from the table that artists and cultural specialists, representatives of public sciences, as well as humanities (philosophers, historians, designers, art historians, journalists and psychologists) start working immediately after receiving the diploma of bachelor's degree.

The geography of employment of University graduates is also interesting. Most of them remained working in the Urals Federal District. So, almost one hundred percent of mathematicians and specialists in the field of natural sciences are employed in the Urals Federal District. The greatest proportion of those working outside the district are art historians and culturologists (12,7%).

Most often graduates of the Ural federal University chose the following places for work: Moscow and Moscow region (60%), St. Petersburg (13%), Perm Territory (10%), Bashkortostan (3%), Krasnodar Territory (2%), Udmurtia, Nizhny Novgorod and Novosibirsk (1% each), other regions (9%) [6].

Good indicators of the graduates' employment are largely due to the fact that the University has a Center for Cooperation with Employers, which constantly updates and replenishes the database of enterprises and organizations interested in interacting with the University in order to attract young qualified specialists on the one hand, and on the other hand - helps graduates find a job in their specialty.

The main activities of the Center are:

- participating in the formation of the University's educational policy, taking into account the modern needs of the labor market, as well as the preparation of various analytical and statistical materials in relation to labor issues, the demand and career development of young specialists;
- conducting seminars and conferences with the participation of representatives of the administration of municipal entities and heads of enterprises on targeted training of specialists, employment and the successful adaptation of graduates to the labor market;
- organizing career events (career night, career days, presentations of specialized Russian and international companies, excursions to business, job fairs, open lectures, workshops, practical seminars and trainings, engineering competitions), during which students will learn about specific companies and receive from employers the most complete information on working conditions and requirements for training young professionals;
- providing information on vacancies, internships, scholarship programs and competitive selection, familiarization with the review of salaries and conducting specialized sociological research;
- conducting consulting activities on the issues of training, professional self-determination and employment of graduates; provision of “resume editing” service; the testing of “professional career”, helping the student to determine the professional choice and further career growth and much more.

The main partners of the Center for Cooperation with Employers are the largest enterprises of the city, region and county. Among them the main partners are:

- “Elektrokhimpribor company” is the leading enterprise of the nuclear weapons complex of the state corporation “Rosatom” and the city-forming enterprise of the town of Lesnoy in Sverdlovsk Region. Performing a defense order, the enterprise produces products of oil and gas, electric power complexes, produces medical equipment, etc. The combine invites graduates of Universities to work and promotes professional career development of employees.
- “Izhevsk Electromechanical Plant”” Kupol” is the leading enterprise of the radio-electronic area and the defense industry of the country. The management of the enterprise is doing much to attract young people to learn and apply the experience of the older generation in practice, for the development and prosperity of the enterprise.
- “Delta Svar LLC” is the largest supplier of high-quality professional welding equipment in the Urals Federal District. The company is engaged in equipping industrial enterprises with automatic welding equipment, robotic complexes, air cleaning systems for welding workshops, etc. It also employs specialists interested in professional growth.



In addition to these partners, the Centre actively cooperates with the “MDM Bank”, “Unilever”, “Azot”, “Uralkim”, “Ural Worker”, “Peleng” and many others.

The Center also has information partners such as:

- “AGAT Youth Entrepreneurship Support Fund”, which helps start-up entrepreneurs to open and develop their business, using various support tools (support of a business coach, preparation of a business plan, an opportunity to receive seed capital);
- Training and staff center “Professional growth”, which has offices in Moscow and St. Petersburg, providing interaction and information exchange between employers and university graduates of the country's largest cities;
- “Head Hunter”, which operates on the territory of Russia, Ukraine, Belarus, Kazakhstan, Azerbaijan, Georgia, Kyrgyzstan and Uzbekistan and is the leader among online resources for job search and recruitment of personnel [8].

According to the results of research on the data of employment of the Ural Federal University graduates in 2016, out of 8,110 graduates of the University only 10% remained unoccupied, almost 40% continued their education, and 50% went to work [6].

All of the above enumerated allows us to assert that the Ural Federal University actively promotes graduates to take their place in the labor market, being a training center; helping young professionals to find work in enterprises; assisting in establishing new companies; motivating for teaching activities in various educational institutions of the region and countries.

As for China, the government also devotes a lot of attention to the employment Universities graduates. Thus, according to the data offered by the Chinese Ministry of Education, the number of college and universities graduates in 2017 was about 7,95 million, that was a record. On the one hand, there was great competition among graduates to be employed, but on the other hand, due to the economic development of the country the companies offered a lot of working places to young specialists.

Recently China’s largest life service platform “58.COM” issued a “2017 College Graduates Recruitment Report” that compares the needs of the companies that employ graduates, the companies’ locations, the working conditions and many other factors. The report provides a comprehensive analysis of the employment status of current graduates from the supply and demand of graduate jobs and salary levels. It is aimed at more precise matching graduates and companies’ employment. The report shows that today’s graduates are more interested in such industries as food, education and other life services.

At the level of corporate needs, talent shortages have become a major area in recent years. For example, with the e-commerce outbreak and the rising demand for logistics personnel is very high. This year's graduates are no longer getting together in first-tier cities, and new first-tier cities such as

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#### *Education*

*2016 up to now – Ural federal University named after the first President of Russia B.N.Yeltsin (a master)*

*2012-2016 - Hulunbuir University, specialty - Russian.*

*Zhaj is participant in national and international conferences (China, Russia). Zhaj is engaged in some projects and campaigns as a part of a project team.*

Chengdu, Chongqing and Hangzhou became hot spots for job hunting in the 2017 graduation season.

According to the recruitment data of 58.COM, among the top 10 industries with the highest graduates' resume delivery volume, the lifestyle service category is the only one of the top 3, namely catering, education/training, and hospital/medical care. These three accounts for over 30% of the total. Of the top 10 industries with the fastest growth in the volume of resumes, market/media, housekeeping, catering, department stores, education/training, beauty salons, and sports and fitness industries accounted for 7 of the top 10 seats. The volume of resumes delivered by the market/media increased by 332,1% year-on-year in 2016. In the life-service-related industries, the volume of resumes in housekeeping, catering, and retail sales increased by 68,9%, 38,3%, and 23,4% year-on-year respectively. In addition, in terms of specific positions, the growth in the volume of resumes for both finance and cashier positions was fiercer, with year-on-year increases of 297,7% and 284%; and the number of resumes for clerk/salespersons and sales/purchasing positions increased by approximately 140% year-on-year (figure 1) [9].



(Here are: catering, education/training, hospital/medical care, HR& administration, retail sales in the service-related industries, sales, finance / audit, art / design, universal work, architecture.)

Figure 1. The number of the employed in different industries

Undoubtedly, high enthusiasm for employment in the service industry is closely related to its rapid development. According to official statistics, from 2012 to 2016, China's employment in the tertiary industry by 60,67 million, and the share of employment rose from 36,1% to 43,5%, making it the most employed industry.

Another manifestation of close connection with the economic situation is that nearly 80% of the graduates seeking jobs through 58.COM invested in small and micro enterprises with a company scale of less than 100, and less than 10% of large companies with over 500 employees. 58.COM's recruiting experts believe that in recent years, with the advancement of "mass entrepreneurship and innovation," small businesses in a large number of segments have sprung up and created a large number of job opportunities. In addition, for post-90 graduates who emphasize freedom and personality more, the choice of small and micro enterprises is mainly focused on their simpler company structure and interpersonal environment, which makes it easier for them to quickly integrate and grow.

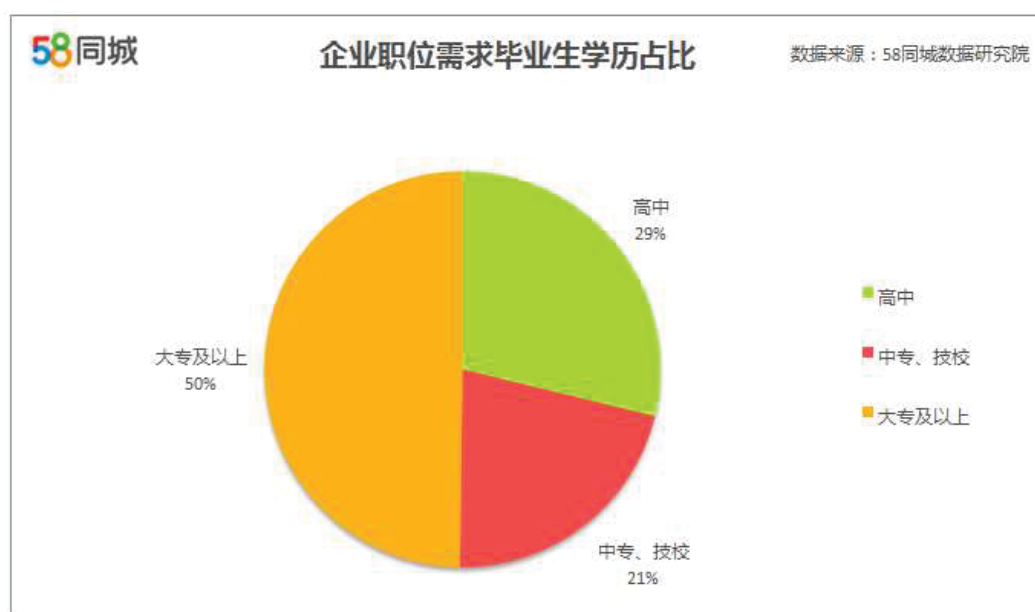
However, from the perspective of business needs, the top 10 industries with the highest demand are in sharp contrast with the industries preferred by job seekers, resulting in a large number of talent gaps in many industries. The more obvious is the logistics industry: not only ranked second in the industry with the highest demand, but also ranked in the top ten in the rank of job demand, such as logistics commissioner/assistant, courier, and other sub-posts.

58.COM's recruitment expert analysis, the degree of job demand heat reflects the current status of the industry to some extent. In recent years, e-commerce, on-site O2O (online to offline), and regional logistics industries continue to be hot, and therefore the related logistics and other talent demand is also very strong. From the report, it can also be seen that the computer/Internet industry closely related to e-commerce is also in the top 10 with the highest demand for talent.

According to another research, China's logistics workers are growing at an average annual rate of 6.2%, and an additional 1.8 million new logistics jobs are required each year. However, there are less than 30% of logistics talents supplied by institutions and training institutions. Supply exceeds supply, logistics professionals have become one of the "most valuable" industries, belonging to the highest salary of graduate companies in the top ten jobs. Also listed are financial/banking/security/investment, market/media, etc.

At the same time, the salary level statistics present another "job indicator" for employment. The health massage, sports and fitness industry ranks very high. As mentioned earlier, it coincides with the current hot industry. With the improvement of people's living standards, people facing greater work pressure shifted their energy and time to health care and sports. They are also more willing to invest in them.

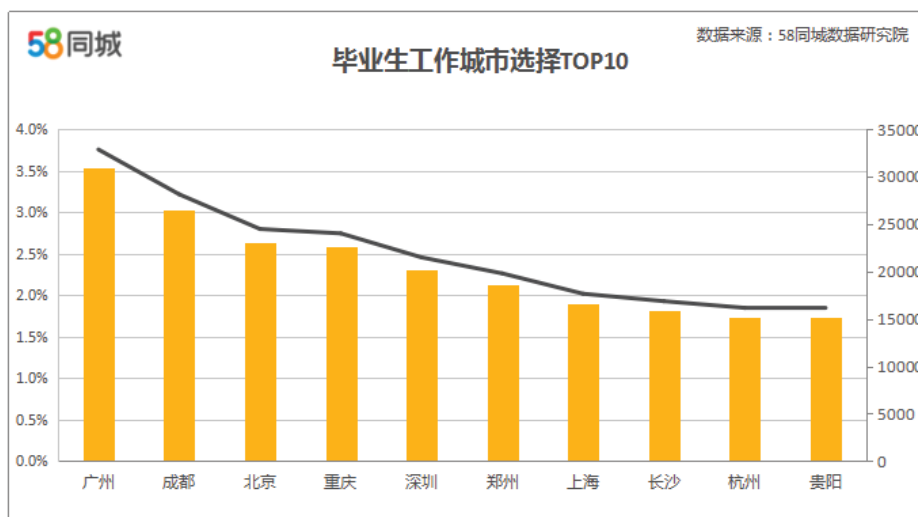
The comparison between salary expectations and salary reached an optimistic trend. The recruitment data of 58.COM shows that in 2017, the graduates expect salary of 3162 yuan/month, and the average salary the company can give reaches 5,628 yuan/month. The expectation of salary for graduates is generally higher than their expectation, and they have reduced the pressure of life for "fresh people" in the workplace. The report also shows that among the job requirements for graduates, secondary specialized schools and technical schools account for 21%, and college graduates and above account for 50% (figure 2) [9].





(The proportion of the business's expectations for graduates' academic qualifications: College or above: 50%; High school: 29%; Secondary specialized schools and technical schools: 21%)  
Figure 2. The proportion of the business's expectations for graduates' academic qualifications

In the past, first-tier cities such as Beijing, Shanghai, Guangzhou, and Shenzhen have always been the first choice for graduates because of their high income and opportunities. Today, 58.COM reports indicate that this phenomenon is changing. According to the graduation data released by 58.COM, the top ten cities with graduate resumes in 2017 were Guangzhou, Chengdu, Beijing, Chongqing, Shenzhen, Zhengzhou, Shanghai, Changsha, Hangzhou, and Guiyang (figure 3) [9].



(The top ten cities with graduate resumes: Guangzhou, Chengdu, Beijing, Chongqing, Shenzhen, Zhengzhou, Shanghai, Changsha, Hangzhou, and Guiyang)

Figure 3. The top ten cities with graduate resumes

Among them, Chengdu, Chongqing, Zhengzhou, Changsha, and Hangzhou are among the new first-tier cities recently announced by the "New Tier City Research Institute". Moreover, Chengdu is ranked No. 1. This coincides with the city where the graduates' resumes come together. Chengdu is an important gateway to the large-scale development of the western region. In recent years, the economy has a strong momentum and great potential. This is reflected in the fact that only 300 Fortune 500 companies have settled in Chengdu. Chengdu and Chongqing have built an important economic force in southwest China. There are numerous job opportunities. Moreover, the urban construction of Chengdu and Chongqing is very mature, especially in the world with high quality of life. Therefore, it has naturally become the preferred choice for many graduates [9].

Today enterprises in China have already undergone an entrepreneurial period and are in a period of rapid expansion. Such companies need a lot of talent because of the expansion of their businesses. There are some recommendations for young specialists in China how to find a working place:

1. Selecting large or medium-sized enterprise groups that require candidates to accept assignments and transfer posts.
2. Such large or medium-sized enterprise groups are generally set up for a period of ten years. Enterprises have already undergone an entrepreneurial period and are in a period of rapid expansion. Such companies need a lot of talent because of the expansion of their businesses. If they all recruit experienced personnel who are familiar with the

business, the recruitment cost of the company is very high, so most companies will choose a large number of graduates in order to meet both the talent demand and the labor cost savings, and these enterprises often have expatriate positions or transfer requirements. As long as the graduates first accept such a request, then the employment of such companies will have great success. When they formally enter such companies, graduates cannot only learn a lot of very useful work experience, they can also ask for changes at the right time in order to find a job that meets their professional direction.

3. After selecting recruiting companies and jobs online, graduates go directly to the talent market for targeted interviews.
4. Graduates first need to search the job market for recruitment information from the job market, choose their fancy companies and positions, and then prepare and visit the talent market to find the company on time, and then submit resumes in person and conduct brief interviews. Do not underestimate this method. This is a very practical and effective way. If the graduates only submit their resumes on the Internet, it is very likely that there will be no chance for them to interview. Therefore, once you have a fancy business, you need to find ways to talk face to face with the recruiter. This is definitely better than just posting your resume on the Internet.
5. Finding a job through a well-known forum in your location.
6. This is also an important method. Graduates should know that if there is a well-known forum or local website in the area, both companies and job seekers will often visit. Because companies can post recruitment information for free, but they can recruit talented people. And many job seekers also find jobs through such forums. Job seekers must use them to increase job opportunities.
7. By searching for a group of recruits or exchange groups made up of local business groups, enter directly into the enterprise HR.
8. In general, the human resource department in an industrial area or a concentrated area of an enterprise may exchange talents or recommend each other by forming network groups. If graduates can enter such a group, they can directly consult with many companies' HR. Which one needs to recruit fresh graduates, usually they all reply to graduates if they need them, or recommend them to other companies. In this way, job opportunities for graduates will greatly increase.
9. Going to the industrial area or where the company concentrates to visit the job site.
10. Graduates cannot be lazy and afraid of hard work. Many companies usually do not post recruitment information on the Internet when they are recruiting grass-roots workers. Instead, they only post recruitment information in the information column of their corporate lobby. In this way, graduates can not only directly enter the interview process but also develop sensory enterprises.
11. Utilizing formal human resources intermediary agencies.

The formal human resources intermediary agencies generally cooperate with local government agencies and are very reliable. What graduates need to do is provide their resumes to HR intermediary agencies so that they can recommend suitable companies. They can also provide free services to job-seeking graduates. Such institutions are generally the local talent market organizers. They have a large number of recruitment information and the business is very familiar with them. It is very necessary for recent graduates to make good use of this resource [10].

## CONCLUSION

The studies show that one of the best ways for solving the problems of employment of graduates of higher education institutions is to establish partnerships between the employment service and employers. At the request of employers, the employment service recruits young specialists, arranges guaranteed interviews, and within the job fairs - the presentation of young professionals (as a rule, almost all are employed, and many receive several offers from different employers).

The effectiveness of the employment centers contribute to: agreement on joint activities with educational institutions for the employment of graduates, the formation of training programs in accordance with the needs of the region's economy, activity of regional interdepartmental commissions on assistance to development of personnel, the joint modernization of educational programs; implementation of design and technological master programs with corporate orientation; the creation of basic departments; training facilities and laboratories; building targeted training for students; -graduates to be competitive in the national and international labor market.

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