



A Survey of Graduates' Employment and New Venture Creation in China in 2008

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Abstract

"Graduates employment" is always the focus of society in China. At present, the hardness of graduates employment is an important issue for the development of China's higher education, which has already aroused more attentions from the Communist Party of China and the government. Graduates' views on career-choosing, family backgrounds, specialties, curriculum, recognitions to new venture creation, and many other factors impact their employment and new venture creation. Therefore, in order to solve the graduates employment issue, colleges and universities should build up innovative education ideas, offer courses of employment, especially courses of career planning and new venture creation, help college students form complete employment and new venture creation knowledge structures, expand their thoughts on employment, cultivate their consciousness of independent new venture creation and self-care ability, contributing to the social harmony and development.

Keywords: 2008 graduate, Chinese college student, Employment and new venture creation, Investigation and research

1. Introduction to the investigation

1.1 Background of investigation

Jintao Hu, the President of Communist Party of China, and Jiabao Wen, the Premier of China, have emphasized the importance of graduates employment for many times and required that all party committees and governments at different levels must work hard for graduates employment. Premier Jiabao Wen has already mentioned the graduates employment issue repeatedly: "Every day I devote my attention to graduates employment ratio."

According to the *Report on Graduates Employment and Development in 2006* done by Chinaren net, in 2006 only 20.08% of investigated graduates "believe they can find appropriate jobs" (2006). After the 2006 graduates claim for "none-wage employment", the employment of 2007 and 2008 graduates makes different parties worry. According to data from the Ministry of Labor and Social Security, PRC, and the Ministry of Education, PRC, in 2007, the number of graduates reaches 4.95 million, and 1.48 million graduates fail to find jobs. In 2008, the number of graduates reaches 5.59 million, increasing 0.64 million than last year. The employment situation is more serious. No jobs, where do graduates go? For this question, Chinese government, colleges and universities, students, and the society must give the answer.

Professor Jiasu Lei, from the School of Economics and Management, Tsinghua University, says, innovation is a kind of social responsibility and life style (Jiasu Lei, 2007). How are college students' consciousnesses of creating new ventures today? Whether can they shoulder the responsibility endowed by the history (Jiasu Lei, 2007)?

With this background, we plan and organize this investigation "A Survey of Graduates' Employment and new venture creation in China in 2008", associated with 6 colleges. By objectively collecting information about 2008 graduates' recognitions to employment situations, their understandings to new venture creation, views on career-choosing, family backgrounds, curricula, and employment, we try to supply the real conditions and opinions of 2008 graduates for Chinese governments and educational institutions, serving the future college education and graduates employment.

1.2 Investigation method

Collect data by off-line questionnaire.

1.3 Investigation time period

June 15th, 2008 ----- July 5th, 2008.

1.4 Investigation objects

2008 graduates in Shandong province, including undergraduates and vocational students. This investigation covers 6 colleges, including 2 “211” colleges, 2 common colleges, and 2 vocational colleges.

1.5 Sample number

2008 graduates: 3000, and 500 from each college. Take back 2527 valid questionnaire.

2. Present employment situations in China and graduates' understandings to the situations

In 2001, the number of graduates is 1.14 million. In June in 2001, the initial employment ratio of graduates is 90%. In 2002, the number of graduates is 1.45 million, and ratio reaches 80%. In 2003, the number of graduates is 2.12 million, and the ratio is 70%. In 2004, the number of graduates is 2.8 million, and the ratio is 73%. In 2005, the number of graduates is 3.38 million, and the ratio is 72.6%. In 2006, the number of graduates is 4.13 million. A survey shows the initial employment ratio of 46%. In 2007, the number of graduates reaches 4.95 million, increasing 0.82 million than that in 2006. According to a survey of MyCOS, the initial employment ratio is 55.8%, and the unemployment ratio at the end of the year is 87.5%. In 2008, the number of graduates is 5.59 million, and the ratio in this research is 42%. See table 1.

In this investigation, 33% of graduates think it is hard to look for jobs before graduation. 65% of graduates think it is hard to look for satisfying jobs. 42% of graduates can find jobs, and 10% satisfying jobs. Most graduates think they face greater difficulties in finding jobs. See figure 1.

3. The relationship between the initial employment ratio and the social resources possessed by families and main relatives

In this investigation, according to the administrative levels and positions and the quantity of social resources, we classify the social resources possessed by families and main relatives into four levels: excessive senior managers in government and state-owned enterprises (directors or higher), and bosses of private enterprises; more middle-level managers in government and state-owned enterprises (vice directors or monitors), and senior managers in private enterprises; some operational managers in governments or state-owned enterprises, and middle-level managers in private enterprises; less owners of small businesses (include farmers). See table 2.

According to the table 2, the graduates whose families and main relatives possess excessive and senior social resources can realize a higher employment ratio, and the graduates whose families and main relatives possess some general social resources can only reach a lower employment ratio. It indicates that the graduates' family social resources can impact their employment. And the higher and the more the social resources possessed by the graduates' families and main relatives, the earlier they can find right or satisfying jobs. Along with the decrease of the level of social resources possessed by graduates' families and main relatives, the employment ratio is rising. The employment ratio of graduates who live an ordinary life is highest. It indicates that the graduates whose families and main relatives possess less social resources prefer to work as soon as possible. Their family conditions make it impossible for them carefully and slowly seeking for jobs. They must help their families in economy. From data in the table 3, we can notice that most graduates acknowledge the positive effects of family backgrounds on job-hunting.

According to data in the table 4, most graduates agree that the most important factor of job-hunting is personal making instead of helps from families and relatives. Only 22% of graduates think that the helps from families and relatives are most important. This result does not conflict with data in table 2 and 3. On one hand, graduates acknowledge the important effects of families and relatives on their job-hunting. On the other hand, most graduates are practical and independent. They can find jobs by themselves as soon as possible even without sound family backgrounds.

4. The relationship between the initial employment ratio and the work regions and the local economic development

In this investigation, we sort the graduates into three kinds according to the location of their homes. The south of Yangtze River and the Pearl River Delta are the developed economic region of south Yangtze River. The north of Yangtze River and the middle-eastern region are the relatively developed economic region of north Yangtze River. The west of Guangxi, Guizhou, Shaanxi, and Neimenggu is the western undeveloped region.

According to data in the table 5, the more developed the local economy where graduates' homes are, the higher the initial employment ratio of graduates. There is a positive correlation between the employment ratio and the local economic development. Most graduates who are from north Yangtze River and the west choose to work in south Yangtze River instead of coming back to hometown. Especially for graduates from the west, 80% of them will not work in their hometown.

5. The effect of employment directives and career-planning course on job-hunting

Colleges play important roles in graduates' job-hunting, such as curricula arrangement, job-hunting assistances (how to prepare and send resume, interview techniques, job-hunting tactics, etc.), and hosting job application fair. Here, to develop and set up employment-related curricula needs to be further enhanced and strengthened.

In today's severe employment situations, the career guidance course is very important for graduates in job-hunting. According to data in the table 6, 89% of graduates have taken the career guidance course, but 40% of graduates have not paid attention to this course. It indicates a fact that both contents and forms of the course deserve to be modified further.

The career planning course can help college students to design and choose appropriate ways after entering the society for a long period. It is to solve some fundamental problems: who I am, where I am from, and where I will go, what are always bothering college students. Therefore, to take this course is extremely important. However, according to data from the table 7, 50% of graduates have not taken this course, and 35% of graduates have questioned the importance of this course. It means colleges must invest more energy in course development, popularization, and teaching crafts.

6. The prevalence of graduates' consciousness of creating new ventures

Since it is hard to find a job, not mention a satisfying job, what are today graduates views toward new venture creation? According to data in table 8, 64% of graduates want to create new ventures what illustrates the prevalence of graduates' consciousness of creating new ventures. But only 13% of graduates with consciousness of creating new ventures prefer to creating new ventures immediately, accounting for merely 9% of all samples. Comparing with the percentage 20% in America, the gap is large. In America, the education of new venture creation has already developed into a complete and perfect system. More than 1100 colleges arrange courses of new venture creation and realize excellent effects, what has already turned into a "secret weapon" for the sustainable growth of economy in America. The education certificate of new venture creation becomes the "third education passport" after the diploma and vocational technology certificate (Hongyi Zhang, 2007).

Only 19% of graduates, who do not sign work contracts, accounting for 58% of all graduates, want to create new ventures, and 70% prefer to work. Obviously, although 64% of graduates have expectations for new venture creation and the consciousness prevails, it is difficult to take action. Even under the condition of no jobs, they are not reluctant to carry out their expectations for new venture creation.

7. Conclusion

According to this investigation, the initial employment ratio is 42% this year, being the lowest in history. Therefore, the job-hunting situation is very serious. Graduates' family backgrounds exert positive effects on job-hunting, which can help graduates find more proper and satisfying jobs. For graduates who have most terrible family backgrounds, the initial employment ratio is highest. They pay more attention to personal making in job-hunting. It indicates that modern graduates possess strong consciousness of independence and self-caring. There is a positive correlation between graduates' employment ratio and consciousness of new venture creation, and the local economic development where they come from.

Colleges, as cradles of cultivating graduates, have important effects on graduates' employment. Colleges should arrange relevant courses, such as career-planning course, and career guidance course, to improve college students' consciousness of independence and self-caring, helping them to look for jobs by themselves, develop by themselves, and serve the society.

It is hard to find jobs right after the graduation. But it does not mean unemployment. Later, even during a long period, more opportunities will come. As long as graduates can start from zero and work hard, they will have a bright future. Besides, the 9% of graduates who want to create new ventures should take the first step with bravely, not only fulfilling themselves but also being examples for other graduates. The government, colleges, and the society, should encourage the youth who have the consciousness of new venture creation to try and create new ventures, contributing to the society (Jiasu Lei, 2007).

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Table 1. The number of graduates and the employment ratio from 2001 to 2007. (Unit: 10,000 graduates, %)

Year	2001	2002	2003	2004	2005	2006	2007	2008
Number of graduates	115	145	212	280	338	413	495	559
Number of initial unemployment	12	29	64	76	93	223	219	257
Initial employment ratio	90	80	70	73	72.6	46	55.8	42
Unemployment ratio at the end of the year							87.5	

Data resource:

<http://career.eol.cn/> /2 006-06-21; <http://www.ce.cn/> / 2006-07-16; <http://www.china.com.cn/> / 2008-07-27

<http://jy.aqtc.edu.cn/> /2008-3-19; <http://www.mycos.com.cn/>; <http://www.chinahrd.net/> / 2008-01-11

Notice: from 2001 to 2005, the employment ratios are from official data; from 2006 to 2007, the initial employment ratios are the third party statistic data; in 2008, the ratio is from this research. The calculation of unemployment ratio at the end of the year includes the graduates who find jobs or continue their studies as postgraduates.

Table 2. The relationship between graduates employment ratio and the social resources possessed by their families and main relatives

Social resources possessed by families and main relatives	Excessive	More	Some	Less
Initial employment ratio (%)	54	33	40	57

Data resource: this investigation.

Table 3. Importance of families and main social acquaintances to employment.

Degree of importance	Very important	Important	Ordinary	Unimportant
Percentage (%)	33	45	21	1

Data resource: this investigation.

Table 4. The most important factors that affect graduates' job-hunting

Factors	Better personal making	Excellent studies	Helps from families and relatives
Percentage (%)	52	26	22

Data resource: this investigation.

Table 5. The relationship between the initial employment ratio and the work regions and the local economic development

Region	South Yangtze River	North Yangtze River	The west
Initial employment ratio of graduates whose homes are in this region (%)	47	44	30
Percentage of graduates whose homes are in this region (%)	12	73	15
Percentage of graduates who work in this region (%)	29	68	3

Data resource: this investigation.

Table 6. The importance of career guidance curricula

Elective or not	Yes	No	
Result of investigation (%)	89	11	
Importance of career guidance curricula	Very important	Ordinary	Unimportant
Result of investigation (%)	60	25	15

Data resource: this investigation.

Table 7. The importance of arranging career planning course for college students

Elective or not	Yes	No	
Result of investigation (%)	50	50	
Importance of career guidance curricula	Very important	Ordinary	Unimportant
Result of investigation (%)	65	33	2

Data resource: this investigation.

Table 8. Graduates' consciousness of new venture creation

Expectation for new venture creation	Yes				No
Percentage (%)	64				36
Planned execution time	Immediately creating new ventures	In two years	Three to five years	It depends	
Percentage (%)	13	4	44	39	

Data resource: this investigation.

Table 9. The job-hunting inclination of graduates without signing work contracts.

Sign work contract or not	No			Yes
Percentage (%)	58			42
The job-hunting inclination of graduates without signing work contracts	Create new ventures	Continue the job-hunting	Do not know how to manage it.	
Percentage (%)	19	70	11	

Data resource: this investigation.

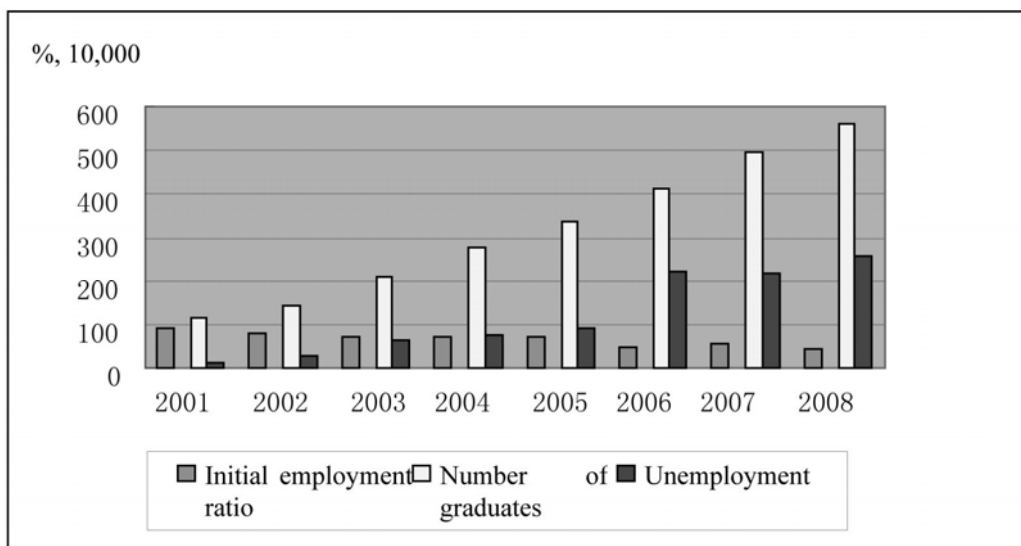


Figure 1. Trends of Graduates Employment and Employment Ratio in China during Recent Years.

Data resource: same with Table 1.