

## EMPLOYMENT ISSUES OF THE YOUTH WITH ACADEMIC BACKGROUND: THE CASE OF AZERBAIJAN

**Khanim Guliyeva, Marina Nasibova**

Azerbaijan University, Baku, Azerbaijan

e-mail: [Khanim.Guliyeva@au.edu.az](mailto:Khanim.Guliyeva@au.edu.az), [Marina.Nasibova@student.au.edu.az](mailto:Marina.Nasibova@student.au.edu.az)

**Abstract.** The article examines the problem of unemployment among educated youth in Azerbaijan. The importance of education, trainings and academic background in the labor market is highlighted, the key challenges facing educated but unemployed youth and the government policy and initiatives aimed at addressing this pressing concern is analyzed.

**Keywords:** Azerbaijani youth, unemployment, education, trainings, academic background, government policy.

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**AKADEMİK TƏHSİLLİ GƏNCLƏRİN  
MƏŞĞULLUQ PROBLEMLƏRİ:  
AZƏRBAYCAN NÜMUNƏSİ**

**Xanım Quliyeva, Marina Nəşibova**  
*Azərbaycan Universiteti, Bakı, Azərbaycan*

**Xülasə.** Məqalədə təhsilli gənclər arasında işsizliyə səbəb olan problemlər araşdırılır, əmək bazarında təhsilin, təlimin və akademik təcrübənin əhəmiyyəti əsaslandırılır, təhsilli, lakin işsiz gənclərin üzləşdiyi əsas problemlər və bu problemin həlli ilə bağlı hökumətin siyasəti və təşəbbüsləri təhlil olunur.

**Açar sözlər:** Azərbaycan gəncləri, işsizlik, təhsil, təlimlər, akademik kadrlar, dövlət siyasəti.

**ПРОБЛЕМЫ ЗАНЯТОСТИ МОЛОДЕЖИ С  
АКАДЕМИЧЕСКОЙ ПОДГОТОВКОЙ:  
ПРИМЕР АЗЕРБАЙДЖАНА**

**Ханым Гулиева, Марина Насибова**  
*Университет Азербайджан, Баку, Азербайджан*

**Резюме.** В статье рассматриваются проблемы, вызывающие массовую безработицу среди образованной молодежи, обосновывается важность образования, профессиональной подготовки и академического опыта на рынке труда, анализируются основные проблемы, с которыми сталкивается образованная, но безработная молодежь, а также политика и инициативы правительства, связанные с решением этой проблемы.

**Ключевые слова:** Азербайджанская молодежь, безработица, образование, тренинги, академическая подготовка, государственная политика.

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### 1. Introduction

In today's world, the social impact of youth is undeniable. The term "youth" carries diverse meanings and interpretations across countries, influenced by demographic shifts, financial conditions, economic factors and socio-cultural settings. Despite these variations, the United Nations adopts a statistical definition, designating the age cohort of 15-24 as youth. This definition effectively serves statistical purposes, enabling the assessment of young people's needs and the formulation of guidelines for youth development [15], but the definition of the term "youth" is not universal and varies from country to country with circumstances, especially with the changes in demographic settings.

According to the Law of the Republic of Azerbaijan, which was amended on May 5, 2007, the official description of youth defines youth as person between the ages of 14 and 29, which provides a different legal framework within the country [13].

The count of individuals classified as young people, falling within the age range of 14 to 29, constitutes 2,295,100 individuals, equivalent to 22.7% of Azerbaijan's total population. Among them, the male populace totals 1,186,400, representing 51.7%, while the female populace amounts to 1,108,700, accounting for 48.3% [13].

Prioritizing education, training and internship opportunities is essential to facilitate youth employment. This ensures that they are equipped with the necessary skills to integrate seamlessly into the labor market. An important step was taken by putting forward a legislative proposal on personnel training in the youth policy of the Azerbaijan state. It includes comprehensive programs for training competent specialists in the field of analysis, planning, organization and evaluation of youth work, and regular trainings are organized for the improvement of specialists [9].

Despite these initiatives, some young individuals may find it difficult to secure employment despite participating in various training and internship programs and even with higher or lower levels of education. According to the statistical data of the Statistical Committee of the Republic of Azerbaijan for 2022, there are 293.3 thousand educated unemployed citizens, which is 12.4% of the total unemployed population. 131.7 thousand of this population belongs to the age group of 15-29, which is 10.6% of the educated unemployed population.

This scenario prompts an examination of the key challenges academically educated youth face in entering and maintaining employment in today's labor market. If education is emerging as a key factor in job placement, what are the main challenges facing young people with an academic background in securing and maintaining employment in today's labor market?

This research paper examines the analysis of the labor market in Azerbaijan, focusing on the specific problems faced by educated youth. In addition, public policies aimed at reducing youth unemployment will be examined, the barriers facing educated youth will be highlighted, and the effectiveness of policy interventions designed to address and alleviate these challenges will be evaluated.

## **2. Literature review**

Ershan Sever and Arif Igdeli studied the factors that determine youth unemployment in developing countries on the example of Turkey. This work was examined with the help of Johansen co-integration test and error correction model. The study analyzed data from 1988 to 2016 and based on the results, it was determined that economic crises lead to a decrease in youth employment and an increase in per capita income has a positive effect on the level of youth employment [7].

Agyapong Gyekye conducted research on the determinants of youth unemployment in South Africa. The main target audience here was young people from the Vhembe district of Limpopo province. A survey of 580 randomly and systematically selected youth was conducted and the relationships between age, gender, race, education and work experience were examined

using a binary logistic regression model. This study mainly examined the importance of factors such as training, skills and employment experience as causes of youth unemployment. The obtained results showed that the probability of unemployment among young people without work experience is 0.103 times higher than that of young people with work experience. Youth without education and skills are 0.604 times more likely to be unemployed than youth with education and skills. It has been concluded that the main causes of youth unemployment in Vhembe district of Limpopo are lack of work experience and lack of training and skills for young people [8].

Anyuan Xie from Chine investigated the relationship between education, career and income and found a positive relationship between education level and income. But various factors influencing this attitude, such as gender, experience, location, race and especially career choice, have been highlighted. In order to achieve more development in the society and to protect the positive relationship between education and income, proposals such as ensuring the accessibility of education for everyone and organizing trainings have been put forward [2].

Skill mismatch in the labor market is also highlighted as one of the main causes of unemployment and this reason has been investigated by Guillem Sala (Universitat Autònoma de Barcelona). The results of the study look at this phenomenon from the main approaches of workforce planning and overeducation measurement methodology. This work further explores the skills mismatch literatures. The result proves that people trained in different specialties are sometimes hired for the same job. Job and skills mismatch is defined as a main problem in the labor market [6].

Barry Percy-Smith (University of the West of England) from United Kingdom has researched the reasons why young people become NEET and has focused on social causes. Questions were conducted with young people and people who became parents at an early age, based on real-life examples and the problems they faced were revealed. The main conclusion is that the lack of job opportunities makes the transition process difficult for young people and they should be given additional support to work. It is also noted that problems in the families of young people have a negative impact on their transition [3].

In the study of youth unemployment and other problems in Azerbaijan, Fariz Ahmadov, Mushfig Jafarov, Matanat Mammadova analyzed the issue of youth employment and youth in leadership positions in Azerbaijan. Based on the four leadership frameworks, the labor market was examined and based on the results, it was concluded that youth leadership can practically change due to political and economic reasons. Also, supporting leadership has a positive effect on the well-being of the community as a whole [1].

In the article written by Altay Ismayilov, Khatai Aliyev and Nigar Bekirova on the topic "Return to education", it was noted how many people returned to education separately according to gender and it was found that women are lower than men. The results showed that the level of education in colleges is not as high, so the income at this level of education is lower after school than after college education [5].

Anar Valiyev and Abbas Babayev, who investigated the reasons why Azerbaijani youth are NEET, focused mainly on the state's youth policy and laws. An online survey was conducted among young people, 5 experts were interviewed and the transition process of young people from school to work was investigated. In addition, the laws in the country were examined by the method of data collection and the general result obtained was mainly determined that the laws adopted by the state are not effective enough [8].

### **3. Methodology**

One of the main methods used in the research was to collect data to analyze the current state of both education and unemployment in Azerbaijan, and to reveal problems by analyzing existing labor market data. For this, current job postings on online job sites were checked and the youth's background was evaluated to match the requirements given by the employers at the time of recruitment. Another main method used in this paper is online survey. The survey was conducted to assess the employment problems of educated youth in Azerbaijan. A structured questionnaire was developed to collect quantitative data on the experiences and perspectives of young individuals. The target population consisted of young adults aged 15-29 in Azerbaijan with varying academic qualifications. A random sample of 204 people from diverse regions and educational backgrounds participated in the online survey among 15-29-year-olds within (13.11.2023-17.12.2023) 36 days to ensure a representative sample. The survey had a total of 25 questions, including questions covering the university-to-work problems of university students, the main target group. The questions mainly focus on the level of education of the youth, the volunteering or internship programs they participate in, programs aimed at youth development by the government, their current occupation and the issues they face in getting an education or finding a job, which is in line with the main idea of this study. The survey also included questions about whether the participants had physical limitations, their social status and the problems they faced in the labor market, in order to get information about not only economic problems, but also social problems of unemployment. Most of the questions were multiple-choice questions and survey was conducted using an online platform.

According to the result of survey, 49% of participants were identified as female, while 51% were identified as male. On the point of received data, 57.8% of the respondents were between the ages 15-19, 34.3% of them were between the age of 20-24, 5.9% participants were between 25-29%, other 2% of samplers were older than 29 years old. A total of 7.8% of the participants were from different regions of Azerbaijan and the remaining 92.2% were mainly people living in the capital and the area close to the capital, which was one of the missing aspects of the survey that we will discuss. In addition, in order to investigate the reasons for the prevalence of unemployment not only among young people with higher education, but among all 15-29-year-old youth, the current ads of 5 random online job search sites were examined.

With this, an idea arose about the extent to which the background of young people in Azerbaijan intersects with the requirements of employers

#### 4. Analyses

The search process prioritized various factors, including the significance of higher education, professional experience, age limitations and any notable achievements beyond educational qualifications. This study allows to look at the requirements of not just one, but several employers. Research has shown that employers have many overlapping employment requirements, which we will review in this section.

**Availability of education:** Analyzing multiple online job market advertisements revealed a crucial factor in recruiters' hiring decisions: a high level of education often indicated by a diploma. This underscores the importance of making education accessible to everyone. However, a significant challenge arises, as most higher education institutions are concentrated in the capital. This geographical concentration poses obstacles for individuals residing outside the capital, limiting their access to education. Addressing this issue is essential to ensure equal educational opportunities for all, irrespective of their geographic location. Although 3.9% of respondents who took part in the survey are facing problems related to university location or long distances seems relatively small, this remains a significant concern, especially for those living in rural areas or far from the capital. This issue highlights the unique challenges people face to study in such places.

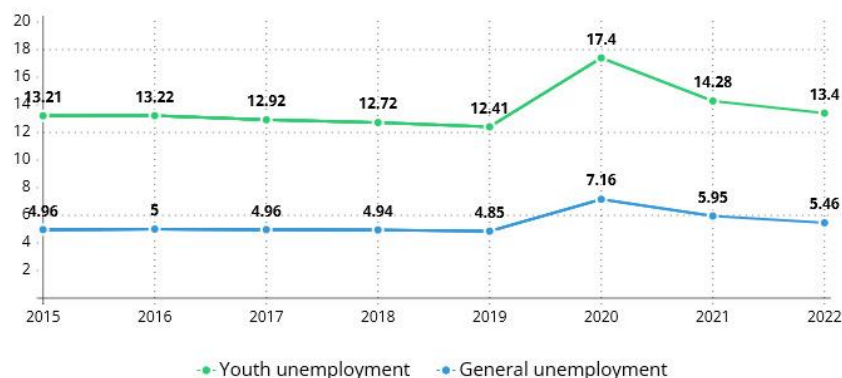
**Limited practical skills in universities:** A positive correlation between education level and income indicates that the higher the education level, the higher the earnings because education indicates the probability that a worker has job skills [2]. When it comes to Azerbaijan, the country still follows an old-school education system from the Soviet times and this system doesn't match what today's jobs need [1]. The problem is that the education system isn't teaching practical skills that are important for jobs today. To fix this, the teaching methods must be updated and improved we need to so that students are prepared for the kind of jobs available now. The current university education system lacks opportunities for students to express their opinions or share their perspectives. Therefore, it leads to intervention in soft and hard skills development. Similar to the Soviet education system, teachers typically stick to their lecture materials without encouraging much interaction or discussion. This limits students' opportunities to voice their opinions and engage in meaningful conversations, hindering the development of critical thinking and a more interactive learning environment. Also, due to the problems caused by gaps in the education system in higher schools, young people do not apply for the next levels of higher education. Rethinking this approach and promoting a platform for student expression could greatly improve the overall educational experience. Because of these problems, the theory of a favorable relationship between education and income does not work in the case of the local education system.

**Lack of experience:** Finding meaningful work in today's job market is like navigating a mix of challenges and opportunities. One of the important factors affecting employability is experience. Many companies prefer employees with practical knowledge. This preference contributes to youth unemployment. Especially young people who have studied at the last year of higher education have difficulty finding a job immediately after graduating from university because of lack of experience, which leads to frictional unemployment, which is a type of unemployment. The survey indicated that 43.6% of participants believe their lack of experience is a key reason for being unemployed. As it was discussed above, the challenge here is that the education system often doesn't provide enough practical skills, leaving graduates and students without the experience employers seek. Received experience is crucial for job seekers not just for landing a job but also for figuring out which specialty to pursue in the future. Practical experience provides valuable insights into the day-to-day aspects of different professions. It allows individuals to better understand their interests, strengths, and preferences within a work environment [6]. It should also be noted that 14.9% of participants who took part in the survey emphasized the importance of having an interesting job, indicating a preference for work that is engaging and stimulating.

**External factors:** In the context of youth unemployment, external environmental factors play a crucial role as they significantly impact the job market and opportunities available to young people.

Economic conditions [7], government policies, global events and technological changes, among other factors, contribute to the challenges faced by young job seekers. Undoubtedly, the impact of external factors on youth unemployment is evident in the case the COVID-19 pandemic. According to the line chart given above, it can be seen that during this period the total unemployment increased by 2.31%, indicating a general economic recession. However, the particular 5% increase in of youth unemployment highlights the disproportionate impact on the younger demographic [14].

There are a few reasons why it's more important to offer better incentives to reduce youth unemployment compared to adults when there are changes in the overall job market. First, young people are more likely to quit their jobs than older workers. Usually, when they find better job opportunities, they switch jobs. The cost of doing this is lower for young people because they have fewer responsibilities and can take jobs that require fewer skills. Also, they might not have to support a family, so they can accept jobs with lower pay. Disruptions in industries that traditionally employ young people, such as retail and hospitality also affected on youth unemployment rate. Lockdowns, social distancing measures and economic uncertainties created challenges for job seekers, particularly those with limited work experience.



**Fig. 1.** General unemployment & youth unemployment  
**Source:** World Bank Data

**Social issues:** In addition to economic challenges, social issues exert a significant influence on the unemployment levels among young individuals [3]. According to our survey results, 28.4% of respondents reported encountering financial obstacles in pursuing higher education. Additionally, 1.5% faced family-related problems and an equal percentage grappled with public censure. As highlighted earlier, higher education serves as a primary determinant for employability, revealing that young people often confront social barriers in their pursuit of employment

**Participation in training and internship programs:** Taking part in training programs is a good way to help reduce youth unemployment [4]. This is because young people can learn practical knowledge and different business skills through these programs. However, it's important for them to know about these training opportunities. According to the survey, 36.1% of young people don't have information about internships and training offered by private and government institutions. Only 16.3% are currently taking part in these programs. Additionally, 32.1% of young people believe that participating in training is a crucial factor in finding a job. So, making sure young people know about and join these training programs could positively impact youth unemployment.

**Government policy and initiatives:** Young people face many challenges when trying to find jobs. While there are different ways to tackle these issues, government policies and laws are often seen as the most reliable and effective solutions. In this discussion, it is investigated what the Azerbaijani government has done to solve the problems faced by the youth and how well these efforts have resulted.

On January 26, 2015, the President of the Republic of Azerbaijan Ilham Aliyev signed a decree with the aim of ensuring the intellectual, physical and spiritual development of young people, including stimulating their active participation in the socio-economic and socio-political life of the nation. The purpose of the strategy is to use the opportunities of Azerbaijani youth in accordance with modern requirements, to take advantage of this potential for the sake of the welfare of the Republic of Azerbaijan and to form a sense of active citizenship in the new generation. Among the expected results, there are important issues such as reducing the level

of unemployment among young people, providing graduates of higher and secondary education institutions with jobs in their regions according to their qualifications and forming competitive young personnel potential that meets the requirements of the labor market [12]. According to another Decree of the President of the Republic of Azerbaijan dated September 15, 2017, the draft law on the State Program "Youth of Azerbaijan in 2017-2021" was signed. The main goals of the state program are to support the activities of young scientists and researchers and to encourage young people to science, to raise the level of education about the choice of specialty and profession among young people, the labor market and employment and to stimulate and intensify education. Important issues such as voluntary movement of young people in the country, promotion of effective use of information and communication technologies by young people [10].

These laws are a set of solutions to many problems of young people, but despite these laws, unemployment problems of young people remain stable. The research conducted by Anar Valiyev and Abbas Babayev to examine the effectiveness of these laws in Azerbaijan also shows that although there are certain laws and projects to solve the problems faced by young people, unemployment has not decreased and remains almost constant [8].

However, if we compare youth unemployment on a line graph between 2015 and 2022, excluding the Covid-19 period, we can see that this figure has increased by 0.19%, from 13.21% to 13.4%. Also, the decision to reduce unemployment in 2017-2021 did not give the expected result. Youth unemployment, which was 12.92% in 2017, increased to 14.28% in 2021. This is proof that Azerbaijan's laws are not very effective in practice.

**Conclusion and discussion.** This article explored the main issues faced by young generations being unemployed with academic background. With help of online survey and data collection methods the main challenges are identified regarding to unemployed youth with academic background as unavailability of universities for everyone all around the country, limited practical classes in universities, lack of experience of new graduated students, external factors as economic situation of country and pandemic, social issues as family-related problems, financial obstacles, not enough initiatives for promoting trainings and internship programs and inefficient government policies are identified as the main issues for being unemployed with academic background in Azerbaijan. One of the missing aspects of the research paper was that a large part of those who participated in the survey were residents of Baku and its surrounding areas and the participation of those from the regions was low. Accordingly, it was not possible to get information about the problems of young people living in the regions. Also, the fact that this topic has not been investigated on a large scale in Azerbaijan has made it difficult to obtain data. For reducing the unemployment level of youth, there should be a match between job market requirements and university education system. Employers can hire a youth without experience for a short period of to give a chance to young to get experience. Also, employment immediately after graduation can reduce frictional



unemployment and can be regulated by career centers in universities and supported by the Ministry of Science and Education of the Republic of Azerbaijan. To solve the social problems of youth government can increase the number of students who get scholarship. This way can support students financially. For promoting and giving information about the trainings and internship programs, universities can regularly organize info sessions. The results obtained in this article can be useful for researchers, policymakers and businesses in this field to make changes for the benefit of young people.

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