Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Economics

Bachelor Thesis

Correlation between the Unemployment of University Bachelor Graduates and their University's Culture

Korelace mezi nezaměstnaností vystudovaných bakalářů a kultůrou jejich univerzity

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1. Introduction

As a bachelor about to graduate and seek employment I became interested in my chances on the market and how my choice of university education has affected my chance at finding employment.

From the experiences I have and the ones that I have heard it seemed like bachelor graduates are more like a cheap labour in the eyes of employers and they would rather hire less educated people or people with more experience working in the real world rather than work in the academic field.

In the thesis I have summarised what is unemployment, minimum salary and defined what makes up the university culture. Afterwards I have chosen certain factors that will make up the changes in culture which will be compared to the unemployment of graduates. These factors were: number of professors, associate professors, foreigners attending the university and Czech students participating in the ERASMUS programme.

I have chosen three major universities with economic programmes – Charles University, University of Economics, Prague and last but not least my home university the Czech University of Life Sciences. Afterwards I have compared the unemployment of bachelor graduates from each university to the changes in the minimum salary and tried to find a correlation between them.

2. Keywords

Bachelor graduates, University culture, Unemployment, Minimum salary, Czech University of Life Sciences, University of Economics, Charles University, Professors, Associate professors, Foreigners, Erasmus

3. Objective

The objective of this paper is to try and find a correlation between unemployment of university graduates and what their university had to offer to them throughout their studies. This will be compared to the changes in minimum salary which will be used as a macro-economic factor.

4. Methodology

To fulfil the objective of this work there will be data collected from the chosen universities and will be compared to changes in unemployment of bachelor graduates to find correlations. The unemployment will also be compared to the changes in the minimum salary. The data will be worked through Microsoft Excel and its regression function.

5. Main findings

Surprisingly the findings of the practical part were opposite to my theory – usually an increase in the number of factors that were predicted to decrease the unemployment rate there was actually an increase in the unemployment rate. Because the P-value was not significant the statistical relevance was not really valid. A statistically relevant result has been reached with the associate professors at the Czech University of Life Sciences were an increase in their numbers correlated to a decrease of unemployment of the bachelor graduates.

For the practical part I have found that the results change depending on how I grouped the chosen factors of the university culture so I have created two scenarios for all universities. In the first one there is a grouping of three factors – Professors, Associate professors and foreigners. This scenario represents more the academic reputation created by the employees of the university. In the second one the factors were Professors, Czech students participating in the ERASMUS programme and foreigners and is supposed to represent the culture created by the students.

When I compared the unemployment of bachelor graduates from the chosen universities (separately) to the changes in minimum salary I have found a correlation in both the Czech University of Life Sciences and University of Economics. After an increase of the minimum salary there has been an increase in the unemployment of their corresponding graduates. This supports my original theory that an increase of the minimum salary will increase the unemployment of bachelor graduates.

6. Conclusion

The goal of this bachelor thesis has been to evaluate the choice of university education but throughout my work it seemed like the universities themselves could make more in-depth analyses of their cultures to help fight unemployment of their students and perhaps even make their budgets more effective. After all why hire more employees when the added benefit of them is actually negative?

7. References

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