

## **Unemployment Among the Graduates of the Education System In Palestine**

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**Abstract:** *The Palestinian higher education shows an increase in the number of tertiary education institutions in the West Bank and Gaza Strip (WBGS). The political and economical environment in Palestine is not stable which makes it hard to have real and stable labor markets projection. The research represents a major and important step towards encouraging the Palestinian Tertiary Educational Institutions (PTEIs) in tracking their graduates and therefore has a broader and much clearer image about the labor market needs by reviewing the relevant literature and examining the initiatives and efforts of (PTEIs) and private sector in the (WBGS).*

*To design and test two sets of questionnaires, one of which was designed for graduates while the other was for employers. The first set classifies graduates as employed in their field of specialization, employed in fields other than their field of specialization, and the third as non-employed. The other set deals mainly with employers. The questionnaires were designed, judged by experts in the West Bank and Gaza Strip and tested on a represented sample of graduates. After the approval and final modifications, more than 1000 copies were prepared to be distributed to the targeted samples.*

*The research demonstrates several experiences from different countries from Europe, U.S.A., African, and Arab countries. Collected data showed that there is no formal graduates' tracking system at higher education institutions in the WBGS. In fact, activities linked to tracking graduates are modest and in their infant stages; moreover, these experiences are limited to few universities and colleges.*

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*The Palestinian Ministry of Education & Higher Education (MOEHE) is required to structure its efforts and organize with Tertiary Education Institutions (TEIs)*

**الملخص:** هدفت ازدادت مؤسسات التعليم العالي في الأراضي الفلسطينية بشكل كبير، رغم عدم الاستقرار السياسي والاقتصادي وعدم استقرار سوق العمل. ويدرس البحث واقع التعليم العالي الفلسطيني وواقع الخريجين ومدى مناسبتهم لسوق العمل، كما ويدرس مدى متابعة هذه المؤسسات لخريجها بعد التخرج. وقد درس الباحث العديد من التجارب الدولية في متابعة الخريجين، إضافة إلى الأدبيات المختلفة وبعض المبادرات في السوق الفلسطيني. كما أنه استخدم مجموعتين من الاستبانات، الأولى تتعلق بالخريجين سواء أكانوا عاملين أو عاطلين عن العمل أو عاملين في غير مجال التخصص، وقد تم تحكيم الاستبانات عبر مجموعة من الخبراء في الضفة الغربية وغزة ثم تم توزيعها على حوالي ألف مفردة من مفردات العينات المستهدفة. ويبين البحث أهمية قيام مؤسسات التعليم العالي الفلسطيني بمتابعة الخريجين والتعرف على الاحتياجات الحقيقية لسوق العمل ومحاولة التأقلم معها وتلبية احتياجاتها. وقد أشارت نتائج التحليل إلى ضعف قيام مؤسسات التعليم العالي الفلسطيني بمتابعة الخريجين، كما أشارت إلى ضعف النشاطات المرتبطة بمتابعة الخريجين مقارنة مع الدول الأخرى. وتوصي الدراسة وزارة التعليم العالي الفلسطيني لتنظيم جهودها والتعاون مع مؤسسات التعليم العالي لتفعيل متابعة الخريجين وربطهم في سوق العمل الفلسطيني. كم وتوصي هذه المؤسسات بالعمل على تلبية احتياجات سوق العمل الفلسطيني بما يساهم في توفير فرص العمل للخريجين.

## **1. Introduction:**

The Tertiary education system in the West Bank & Gaza Strip (WBGs) is facing many challenges; one of them is to meet the increasing demand from the growing population of secondary education graduates while ensuring the quality of programs offered, and at the same time meeting the changing needs of the local and global community.

The quality of education offered by Tertiary Education Institutions (TEIs) is of concern at the national level in Palestine<sup>1</sup> given the limited resources and the occupation circumstances. Many projects and initiatives at the national level were initiated to improve the status

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1 World Bank Group (September. 2006). West Bank & Gaza. Education Sector Analysis: impressive achievements under harsh conditions and the way forward

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and quality of academic programs within (TEIs); one of them is  
Tertiary Education Project (TEP).

Since the education system in Palestine is expanding rapidly as there are around 50 higher education institutions in the WBGS ranging from public, nonprofit and private institutions; there is a need to support quality improvement initiatives and processes with information systems that assist institutions in collecting data and information on a regular basis from graduates and employers in different sectors.

The research aims to build background information on Palestinian (PTEIs). It comes to support and to increase internal and external efficiency (that take in consideration the indirect economic and social effects on Palestine) and quality of tertiary education institutions as a first step towards achieving sustainability; and to help policy makers to find a way in solving the unemployment problem in the (WBGS) and to meet the socio- economic needs of the Palestinian population.

### **1.1 Main Goal & Objectives:**

The research aims to study the following:

- The degree of relevancy of the Palestinian tertiary education system.
- The existing relationship between tertiary education institutions and local labor market.
- The gap between the graduates produced annually by (PTEIs) and those representing the real needs of labor market & the suitability of graduates to match employers' needs and how employers evaluate their employees.
- The degree of relevancy between graduates specialization and their work.
- The time needed for graduates to find employment.

### **1.2 Importance of the study:**

- Suggest some recommendations for the education system to help the system in meeting the real needs of labor market.
- Help in coordinating and evolving plans and policies for the education sector aiming at establishing a linkage between the education sector and the needs of labor market.
- Assisting higher education institutions in conducting tracer studies for tracking their graduates.
- To provide recommendations and suggestions to policy makers

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at the MOEHE relevant to the objectives specified above.

### 1.3 Methodology:

In order to achieve the objectives of the research, the researcher used approach including literature review for secondary data and questionnaires design, visits and interviews for primary data.

Literature Review was done by reviewing the previous and current studies relevant to the field, in addition to contacting site visits and interviews of key and focal persons working at (TEIs) to take a closer look at their viewpoints and to gain knowledge regarding their relevant activities in this regard.

In addition to that, working in this stage included conducting interviews with stakeholders in tertiary education institutions represented by (MOEHE) policy makers and independent researchers to identify their needs, efforts and viewpoints related to the tracking graduates.

After reviewing related literature, two major questionnaires were designed to be filled by graduates and employers aiming at getting direct feedback from them.

- The first questionnaires is for graduates either employed or not.
- The second questionnaires is for employers.

The designed questionnaires were judged by (15) experts to ensure their validity. Moreover, the questionnaires were piloted on a sample of 50 graduates and (30) employers to check for validity and reliability. Several modifications were made as a result of the previous two steps.

### 1.4 1.4 Sampling:

A total of 829 surveys were distributed to newly graduates, employed graduates in their specialization field, employed graduates in none-specialization field, unemployed graduates. The returned surveys from **Gaza graduates were 76.24%** while the ones from **West Bank graduates were 23.76%**.

With regard to employers' surveys, 254 surveys were distributed to different employers: **65.31% were in Gaza, 34.69% were in West Bank**. See the Table 5.1 for more details. Although the sample is smaller in the WB but it still accepted due to lack of contact and traveling to the WB.

### 1.5 Data analysis

Collected data from the different samples were entered on the computer using the Statistical Package for Social Sciences (SPSS).

Data was cleaned first, and then the required statistics were performed using descriptive and inferential statistics. The researcher did not use regression model due to the type of data that is not suitable for regression analysis.

The collected data was very rich and very informative. In this report we will use selected relevant data to answer some of the questions raised out through this consultancy mission.

### 2. Tertiary Education System in the (WBGs):

Current statistics shows that there are 44 institutions in the Palestinian higher education system distributed between the West Bank (WB) and Gaza Strip (GS) which consists of 11 universities (8 in the West Bank and 3 in the Gaza Strip), 13 university college that award Bachelor and Diploma degrees, as well as 19 community colleges that award only diplomas. Table 1 gives a breakdown of these institutions by type.

**Table 1: Distribution of higher education institutions by type of institution**

Type of university	West Bank	Gaza	Total
Traditional universities	8	3	11
Open university (branches)	(16)	(7)	1
University colleges	9	4	13
Community colleges	14	5	19
<b>total</b>	<b>30</b>	<b>12</b>	<b>44</b>

Source: MOEHE (2006). Students in higher education, report 1, annual reports series. The GD for development and scientific research, Ramallah, Palestine

The students' enrollment in Palestinian higher education institutions is as follow<sup>1</sup>:

- a- The number of students enrolled for a B. Sc. degree programs in the traditional Palestinian universities was 88,707 students, among

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<sup>1</sup> Source: MOEHE. Statistical Yearbook 2006/2007 Guide to Palestinian higher Education Institutions. Ramallah, Palestine.

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them was 48,147 female students (54%). In addition to that the number of students enrolled in graduate degree programs was 4,431 students, among them was 1,768 female students. The number of students enrolled in other degrees (certificates) was 784, among them 522 females.

- b- There are 57,177 students enrolled at Al-Quds Open University branches, among them 31,849 females (56%).
- c- There are 2,326 students enrolled in university colleges for B. Sc. degree among them 1,450 females. In addition to that 4,707 students enrolled for diploma degree among them 2,364 females.
- d- There are 11,241 students enrolled in community colleges for diploma degree among them 4,922 females.

The students graduating from Palestinian tertiary education system in 2005-2006 were 21,851 among them 12475 female graduates (57.09%). The distribution of graduates is as follows:

16,281 were granted B.Sc. with 9,551 were females

(graduates of Al-Quds Open University 4,397 with 2,634 were females),

4,136 were granted diploma among them 2,191.

There were 839 graduates among them 295 females who completed their graduate degrees<sup>1</sup>.

Figure (1) shows the distribution of graduates according to the type of degree received.

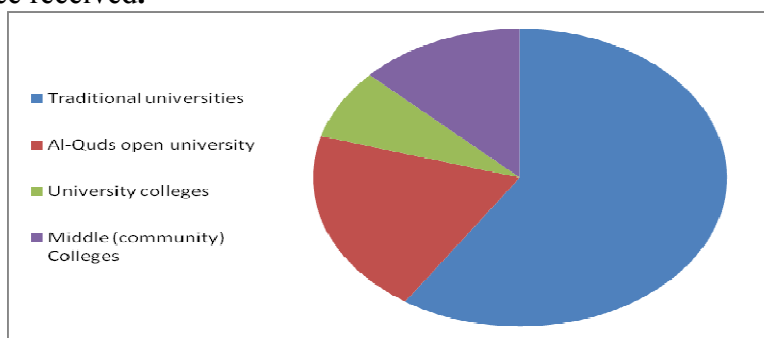


Figure (1) distribution of graduates according to the type of degree received

<sup>1</sup> Source: MOEHE. Statistical Yearbook 2006/2007 Guide to Palestinian higher Education Institutions. Ramallah, Palestine

### **2.1 The Higher Education and unemployment among graduates:**

The West Bank & Gaza Strip (WBGs) are displaying an impressive growth in higher education. Student enrollments in local universities increased 415% between 1994 and 2007. Concurrently, the number of graduates from the universities and community colleges also doubled four times during the same period. However, the absorption rates of graduates into the local economic sectors showed a slow and static trend. Statistical figures available by labor surveys in the (WBGs) implied that the absorption rates of educated and skilled employees (university and community colleges graduates) in the local economic sectors such as agriculture, manufacturing, construction, and transportation averaged 10% of total employment in these sectors. On the other hand, around 70% of employed persons in the education and health sectors are graduates of community colleges and universities. In fact, health and education are considered the two major service sectors run by the Palestinian National Authority PNA. In those sectors, particularly in the public sector, salaries and wages offered to employees are relatively lower than those paid to their counterparts in the private sector<sup>1</sup>.

During the period, 1994-1997 and after the establishment of the PNA, the public sector absorbed a considerable portion of the surplus in labor force, mainly university graduates, approximating 21% of the total labor force employed in economic sectors in the WBGs. Also, the civil service law encouraged the demand for the outputs of higher education. Together with the considerable increase in international support to the Palestinian people during that period, these factors helped in creating a rapid rise in the demand for university graduates taking into consideration that the public sector could not grow substantially, 70% of the current public expenditure is allocated for salaries. On the other hand, the growth rate of the private sector showed a declining trend due to its special characteristics of small enterprises and family businesses.

The persistence of high unemployment in the WBGs has become a

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1 [Palestinian Central Bureau of Statistics (PCBS), Labors Surveys; Update Statistics from Ministry of Education and Higher Education, 2005: PCBS, Conditions of Graduates, Higher Education and Vocational Training Surveys].

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major challenge to the PNA. During 1995-2000, unemployment rates in the WBGS with over 14 years of schooling tended to decrease. In summer of 2000, unemployment rates reached 10.6% with a decrease of 50% compared to their level in 1995. In fact, educated labor flows from the WBGS to Israeli market had increased during 1995-2000. The percentage of workers with over 14 years of schooling employed in Israel rose from 6% in 1994 to 8.2% in 2000 of total Palestinian workers employed in Israel<sup>1</sup>

Available figures on unemployment rates among university and community college graduates indicated that graduates who hold diploma had been less integrated in the labor market than those who hold B.Sc. degree and above. In the year 2005, while 30% of graduates holding high diploma were unemployed, around 25% of graduates from universities were unemployed. Unemployment rates had been found to be at the highest level (62%) among graduates who specialized in arts, education, and humanities. In contrast, unemployment rates had been found to be less than 25 percent among graduates specialized in applied sciences such as medicine, engineering, computer and nursing<sup>2</sup>

On the other hand, unemployment rates were found to be higher among graduates from local Palestinian universities and community colleges than Palestinian graduates from Countries abroad, such as U.S, England, and Canada. For example, unemployed graduates from local universities specialized in arts, humanities and social science amount to 76% of total unemployed graduates specialized in these fields. However, the gap of unemployment rates between graduates from local higher education institutions and abroad institutions was relatively narrow in applied sciences. One could conclude that despite the increase in the demand for higher education in the WBGS, graduates from abroad had a better opportunity to be employed than graduates from local universities particularly in the private sector. Eventually, these indicators reflect the weak relationship between the demand for and supply of graduates in the local markets. Although the capacity of the local private sector to absorb graduates is very limited due to low investments and job creation, it enjoys recruiting

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<sup>1</sup> [PCBS, Labor Survey]

<sup>2</sup> [Statistical Guide of labor Forces Ministry of Labor; PCBS, Conditions of Graduates ...,2006].



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Palestinian graduates from abroad<sup>1</sup>.

Most of the Palestinian universities were established during the 1970s and 1980s and focused on humanities and social sciences. Only few of them are specialized in certain scientific fields such as medicine, law and journalism. Figures available on the number of admissions, enrollments, and graduates in the WBGS reflect the inefficiency of the local higher educational institutions. Also, unemployment rates among graduates signify the ineffectiveness of the Palestinian higher educational system. This brings to light the inconsistency and disagreement between the outputs of higher education (mainly graduates) and the market needs. The main features of the higher education system in the WBGS could be outlined as follows:

- a. The demand for higher education at Palestinian universities and community colleges is remarkable. In fact, graduates from local academic institutions approximate 70% of total supply of graduates. On the other hand, 20% graduated from Arab Universities, while the rest got their education from foreign universities. On the other hand, while 90% of those students who had attended 11 local universities (eight universities are public, two universities are governmental and only one is private), only 10% of them sought education and training at 30 community colleges and vocational institutes<sup>2</sup>.
- b. However, the sharp increase in the number of students enrolled at the Palestinian HEIs was not matched by the increase in the number of faculties. In particular, the number of faculty staff had risen from 1700 in 1997/1998 to 2700 in 2005/2006, an increase of 52% and by an annual growth rate of 8.6%<sup>3</sup>.
- c. Regarding the expenditures of the Palestinian Higher Education Institutions (PHEIs), the current expenditures account for more than 80% of total expenditures. Moreover, salary and wages items absorb 80% of the total current expenditures. However, operation and capital expenditure items are usually very limited, and depend on donations that could be related to the high level of inefficiency in collecting fees and tuitions. Yet, fees and tuitions received annually by PHIEs cover less than 60% of the current

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<sup>1</sup> [PCBS, Labor Surveys ; various issues].

<sup>2</sup> [Ministry of Education and Higher Education, Statistical guide of Higher Education].

<sup>3</sup> [Palestinian, Statistical Guide of Higher Education].

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expenditures. Therefore, donations, PNA financial assistance and other charitable funds are used in covering the deficits of PHEIs.<sup>1</sup>

Naturally, the system of higher education in the West Bank and Gaza Strip (WBGs) has a unique character that weak consistency exists between PHEIs outputs (mainly graduates) and the market needs. Thus, it is not surprising to find that unemployment rates among PHEIs graduates have exceeded 25%.

- d. Despite the creation of several faculties and departments, the numbers of enrollments remain concentrated in arts, humanities and social sciences. This might be a result of lower costs of education in those disciplines.
- e. Obviously, the significant increased in the supply of graduates in humanities and social sciences have severely undermined the employment prospects of graduates, since the demand for such specializations is minimal. While 70% of local graduates were absorbed in the public sector, 30% were employed in the private sector. In fact, employed graduates, specialized in humanities and arts, account for 70% of total employed graduates. On the other hand, 30% of graduates were employed in applied professions, such as medicine, engineering, nursing, law. In this regard, the participation rates, in the labor markets, of graduates specialized in medical and health professions reached 85%. In contrast, the participation rates in the labor markets among graduates specialized in humanities and social sciences averaged 64% during 2003-2005.<sup>2</sup>
- f. The excess supply of graduates has become more numerous. Between 1995 and 2005, educated unemployment rates rose from 21% in 1995 to 32% in 2005. The number of unemployed graduates doubled four times during that period, increasing from 20,000 in 1995 to 80,000 in 2005. It reveals the inconsistency between the supply of and demand for graduates in the local market. Also, it implies that the absorptive capacity of the private and public sectors in the WBGs is subject to several constraints. Job creation policies were ineffective and investment showed

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<sup>1</sup> [Palestinian Ministry of Higher Education, Financial Strategies of Higher Education, 2000].

<sup>2</sup> [PCBS, Conditions of Graduates.....]

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moderate trends. Yet, the higher education sector is not demand driven in supplying specific outputs to the local labor market<sup>1</sup>.

- g. Due to the highly competition between graduates in the local labor markets, around 40% among graduates were employed in professions irrelevant to their fields of specializations. Therefore, it is not surprising to find around 50% of local graduates, lack appropriate skills and capabilities were prevented from employability in the private sector. As a result, the gap between the supply of graduates and the market needs has widened over time<sup>2</sup>.

**2.2 Graduates in the WBGs:**

The indicators presented in this section are based on the main findings presented in a recent publication, published by the PCBS on: "Conditions of Graduates from Higher Education & Vocational Training 9 2006". In the 2005, the estimated number of graduates with 14 years of schooling reached 236,000. Around two thirds of graduates (165,000) graduated during the period 1988-2005. On the other hand, one third of the supply of graduates (55,000) graduated during 2001-2005. Concerning qualifications, 62% of graduates in the WBGs were holding B. Sc. degrees or higher.

The highest labor participation (90%) was among graduates who were holding B. Sc. degrees or higher. However, around 75% of graduates with intermediate diploma were employed in the local labor market. In contrast, the unemployment rates averaged 26% and 23% among graduates who were holding intermediate diploma and B. Sc. degrees and above, respectively.

During 2001-2005, 34% of graduates were integrated in the labor markets, implying the waiting period was minimal. Around 50% of graduates submitted applications seeking employment. On the other hand, 10% of graduates did not search for employment.

While 40% of graduates were absorbed in the private sector, 35% of graduates were employed in the public sector. In the private sector, while 60% of graduates were employed in services, around 30% have been utilized in the production sectors, construction, agriculture, and industry.

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<sup>1</sup> [PCBS: Labor Surveys ...].

<sup>2</sup> [Palestinian Ministry of Labor, Labor Surveys, 000 1998].

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The results revealed from the PCBS, that the majority of graduates with bachelor degree or above (77%) had occupations relevant to their qualifications compared to only 55% of graduates who were holding associate diploma. On the other hand, the results showed that the majority (85%) of graduates were satisfied with their jobs. Only 15% of graduates were not satisfied.

### **2.3 Remedial Efforts as presented in the Literature:**

Much of relevant research surveys show the reciprocal relationships between the outputs of higher academic institutions and the job market. Over the past decade few local studies have been conducted on the gap between the outputs of higher education and market needs in the WBGS. Most of them were exploratory descriptive regardless of the data used. They lack mechanisms to enhance the consistency between Palestinian Higher Education Institutes (PHEIs) outputs and market needs. Also, most of those studies ignored the interaction between PHEIs outputs and public sector (nearly 70% of graduate) were employed in this sector.

For example, the studies of Awartani (1998)<sup>1</sup>; Arman and Nattor (2002)<sup>2</sup>; have pointed out that, graduates from local PHEIs were less competitive with graduates from foreign universities in the WBGS labor market. In fact, local graduates lack skills and abilities that are required to engage them in the labor market. In the Arab countries the situation was not different from that in the WBGS.

Several other studies were conducted regarding the problem of matching the outputs of PHEIs and labor market needs in countries; Algeria, Jordan, Lebanon, Libya, Saudi Arabia, United Arab Emirates, Iran, and Kuwait. In the Gulf States, high percentage of graduates, who were lacking skills and abilities, were absorbed in the public sector. In contrast, due to shortages of qualified and skilled graduates in countries like Saudi Arabia, UAE, and Kuwait, skilled graduates

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<sup>1</sup> Awartani, H. et al (1998):The Consistency Between the Higher Education System and the Labor Market, Technical Report No.9, Center of Palestine Research and Studies, Nablus , West Bank.

<sup>2</sup> Arman, N.and W Alnattor (2002):Palestinian education System and Labor Market ,Palestine Central Bureau of Statistics. Ramallah , West Bank.

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were hired from abroad as shown in Turkestani (1999)<sup>1</sup>; who concentrated on the unemployment problem among graduates.

In general, the employers make their decisions when they recruit graduates based on competitive factors. Therefore, it is not a surprise to find a number of graduates become unemployed due to the deficiencies in computer, language skills, training, and experiences. In contrast, it is not surprising to find unqualified graduates employed, particularly, in the public sector, and in occupations irrelevant to their fields of study offered by private sector.

In this regard, several measures and regulations have been taken by employers in both private and public sectors. They are outlined below:

- a. Scope of cooperation between HEIs and employers: Consequently, the quality of graduates has been determined based on the capacity of the HEIs and the needs of employers. A well- functioning labor market requires that employers in both private and public sectors should signal their skill needs in a clear, specified, and credible manner.
- b. Also, the HEIs are called to restructure the academic programs through applying student loan policies. It is obvious that a student who gets loans to cover his tuitions, fees, and other expenses will choose only his field of study that highly demanded in the labor market to enable him in clearing his loans. A student should not be allowed to apply for and granted loans unless his field of study is highly demanded in the labor market.
- c. Establishing rehabilitation and training programs that have the potential to provide skills and competencies to new graduates. It has been concluded that increasing unemployment rates among graduates is attributed to deficiencies in computer, management and language skills and lack of experiences.

### **3. Labor Market & the Graduates in the WBGs:**

This section focuses on the performance of the labor market for the outputs of the PHEIs. The discussion is based on the empirical results

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<sup>1</sup> Tukestani, H.(1999):The Role of Higher Education in Supplying the Needs of the Labor Markets, in Saudi Arabia, Journal of Social Sciences, vol,21.No,2.

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concluded by **Eljafari and Lafi** (2004)<sup>1</sup>. The demand for higher education, supply of the PHEIs, and the demand for graduates by both public and private sectors in the WBGS, are discussed and analyzed. The discussion presents the background to conduct projections for the market of the outputs of higher education.

### **Demand for Higher Education**

A graduate's choice of subject was not based on any prior plan or linked to the local job market but rather was a result of personal desire or ambition regardless of previous knowledge of the job market. Also, graduates took into consideration the possibility of continuing graduate study but economic variables, such as the cost of education and expected income after graduation, did not influence their decision to choose a particular subject. In fact, information on job vacancies and sectors with demands for educated and trained human resources was inadequate and incomplete. Such information, if available, would play a significant role in directing students towards more suitable subjects.

### **The Supply of Graduates:**

Anticipated monthly income, language skills, and computer and internet skills were the main factors that reduced the waiting period for a graduate finding a job after graduation.

On the other hand, non-competitive factors, such as party affiliation, favoritism, and personal contacts, substantially reduced the time taken for graduates to find employment in the public sector. In contrast, graduates lacked few skills necessary for the local job market will take them long time to be integrated in the labor market. However, the decision to employ a graduate was not based on the individual's skills or abilities but rather on comparing the graduate with other candidates' qualifications, particularly in the private sector.

Therefore, tough criteria applied in the employment of graduates, particularly in the private sector, aims at securing high rates of productivity commensurate with the wages offered.

In order to bridge the gap between graduates and the requirements of the job market, a number of measures must be taken by the public and

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<sup>1</sup> Eljafari, M. and D., Lafi (2004) : Matching Higher Education Graduates With Market Needs in the West Bank and Gaza Strip, Palestine Economic Policy Research Institute Ramallah West Bank.

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private sectors and Palestinian institutions of higher education. The administration of higher education institutions should tap the expertise of public and private sector leaders in order to develop academic courses and programs. The feedback from employed graduates can identify the skills and abilities required by graduates to enable them to integrate into the local job market. Wages in the public sector should continue to be determined on the basis of academic qualifications rather than on performance and productivity. The use of favoritism and personal connections in the employment process gives out the wrong signals, impedes the impact of market indicators, and reduces the importance of skills-related criteria.

**Labor Market Demand:**

The absorption of growing numbers of graduates depends not only on the subjects studied or the possession of skills and academic qualifications, but also on the ability of the public and private sectors to create jobs. This necessitates intensive public and private investment at a rate parallel to growth in the work force, particularly in fields that require graduates. Given the dramatic drop in job opportunities for graduates in the Arab world, these markets cannot be counted on to absorb new graduates as was the case in the 1970s and 1980s.

The threat to more efficient higher education output lies essentially in the lack of job opportunities, particularly for graduates with professional specializations that are in demand in other labor markets. Due to the shortage of jobs in applied sciences, many of these new graduates emigrate to Canada, the USA, Australia, and elsewhere. In fact, these developed countries have for many years attracted human capital from developing countries. In fact, Palestine along with other less developed countries has been deprived of the returns of investment in human capital.

**4. Evaluation of Programs & Environment of (PHEIs)**

Data collected from the field showed that graduates trusted the performance of the institutions of higher education in the WBGS. They stated that they have high confidence in the good academic reputation of the institution and the programs alike, in addition to the nature of specializations in their institutions.

When graduates were asked about their satisfaction with regard to the

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academic programs and environment in their institutions, results showed that are generally satisfied (weighted mean =71.97%).

Table 2 shows more information for the different items of the academic programs and environment fields.

**Table (2) Graduates' evaluation of the academic programmes**

#	item	Mean (scale used from 1 to 5)	Weighted Mean	significance
1	Variety of courses	3.94	78.76%	0.00**
2	The effectiveness of faculty	3.94	78.72%	0.00**
3	The modernity of courses	3.74	74.85%	0.00**
4	The use of teaching methods	3.69	73.73%	0.00**
5	Acquired practical experiences	3.69	73.73%	0.00**
6	The availability of opportunities to communicate with faculty	3.53	70.58%	0.00**
7	Examination system	3.50	70.01%	0.00**
8	Academic counseling	3.42	68.37%	0.00**
9	Opportunities to participate in projects and research	3.33	66.64%	0.00**
10	Opportunities to think and be creative	3.26	65.23%	0.00**
	Grand mean	3.60	71.97%	

\*\* Mean is significantly more than 50% at the 0.01

With regards to graduates' satisfaction with their academic environment, results showed that environment in general was perceived by graduates to be suitable for their education as it provided them with adequate skills to keep up with the job market. They stated that their institutions promote education, ethics and conducting scientific research and extracurricular activities. See Table 3 for more details.

**Table 3 Graduates' evaluation of academic environment**



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#	item	Mean (scale used from 1 to 5)	Weighted Mean	Significance
1	Central library	4.21	84.17%	0.00**
2	Administration	4.12	82.48%	0.00**
3	Campus buildings	4.04	80.85%	0.00**
4	Science Labs	3.91	78.16%	0.00**
5	Conference & activities Halls	3.91	78.15%	0.00**
6	Lecture halls	3.88	77.65%	0.00**
7	Computer labs	3.79	75.87%	0.00**
8	Health services	3.51	70.27%	0.00**
9	Cafeteria	3.40	67.94%	0.00**
10	Playground and gardens	3.28	65.70%	0.00**
11	Registration services	3.23	64.70%	0.00**
12	Student affairs services	3.21	64.22%	0.00**
	Grand mean	3.71	74.16%	

\*\* Mean is significantly more than 50% at the 0.01

With regards to females, collected data showed that they are more satisfied (81%) compared with males (76%) although the difference were not statistically significant. The degree of satisfaction among graduates who work in the area of specialization was about 85% versus 75% for those who do not work or who work in other areas of specialization.

#### 4.1 Contribution of Academic Programs in Building Capacity:

Graduates were asked about the role of their institutions with regard to capacity building in the following skills: using the computer, internet and technological tools, Arabic languages (reading & writing,) self-acquiring for knowledge and skills, being independent, communication skills, evaluation group work, leadership, positive interaction with community, being able to respond to challenges, critical analysis and thinking, identifying and solving problems, being able to adapt to emergency situation, get information for decision making, English language (reading and writing), objective criticism, statistical treatment fro data and other languages such French, German, Hebrew. Results showed higher scores towards the role of the academic institution in providing graduates with all the above

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skills. Scores were lower with regard to learning objective criticism, data statistical treatment and learning other languages such as French, German, and Hebrew .. etc. This implies that higher education institutions are responding well to a certain extent to market needs, still more attention could be paid to increase skills that scored low by graduates. No significant differences were observed between males and females with regard to the contribution of their academic programs in building capacity.

#### **4.2 Graduates' networking with their institutions**

When graduates were asked about the mechanisms they use to network with their institutions, they stated the following (note: starting with the most important):

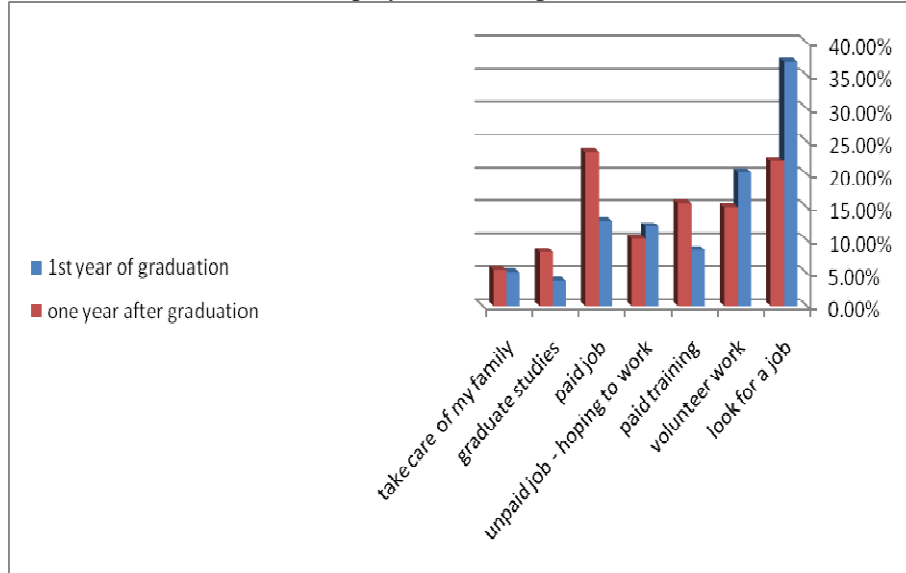
- 1 - Brochures and paper advertisements.
- 2 - Bulletins and electronic advertisements
- 3 - Meetings, seminars and conferences.
- 4 - Visiting the college or university.
- 5 - Communicating with faculty about professional issues.
- 6 - Communicating with the university through the alumni web site.
- 7 - Professional cooperation with faculty.

Remarkably, the weak networking with the institution was related to the site of the alumni Unit, which is seen as the body that should have to communicate with alumni. This means that (TEIs) have to pay more attention and try to activate the role of the alumni unit. Nevertheless it is sensed that there is a good networking between graduates and their institutions, where 85% of whom are well networked. No significant differences were observed males and females with regard to networking with (TEIs).

#### **4.3 Careers status for graduates after graduation**

Results showed that about 95% of the sample considered within the labor force, where they are looking for work or found a job in first or second year of graduation. Only 5% are not considered within the labor force (do not want to work, and are interested only with the family). In the first year of graduation, 70% of the sample were looking for a job or even worked as a volunteer, in the hope to catch a job, compared to 48% in the second year. See Figure (2) for more details.

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**Figure 2 Careers status for graduates after graduation**

No significant differences existed between males and females. Results showed that the male labor turnover was lower than in females. Males stayed about three years in the job before moving on, versus only two years for females, with significant difference between them.

#### **4.4 Distribution of employees in the labor market:**

Employers were asked about the distribution of the employees in their institutions (**firms or establishment**) who graduated from the different local universities and colleges. Results showed that most of employees were from the economical (**business**) & administrative programs where male graduates were mostly from the engineering & IT programs in addition to applied sciences programs. For females, results showed that most of graduates were from the educational programs. See Table (4) for more details.

**Table 4 Distribution of employees**

University/college program	males		females		Total
	#	%	#	%	
Religious sciences	54	44.63%	67	55.37%	121
Health	392	50.06%	391	49.94%	783
Engineering & IT	608	64.89%	329	35.11%	937

Economics & administration	970	53.50%	843	46.50%	1813
Social sciences	155	41.89%	215	58.11%	370
Education	359	36.41%	627	63.59%	986
Applied sciences	96	64.00%	54	36.00%	150
others	194	54.04%	165	45.96%	359

#### 4.5 Factors that assist graduates to obtain job:

Collected data from gradates showed that there were several factors that contributed to their finding a job. The factors are ranked from high to low and are shown in table (5).

**Table 5 Factors that contribute to obtaining a job**

#	item	Mean (scale used from 1 to 5)	Weighted Mean	Significance
1	The reputation of the university	3.26	%81.41	0.00**
2	The student's GPA	3.25	%81.37	0.00**
3	The program reputation	3.13	%78.34	0.00**
4	Practical experience and field training.	3.07	%76.82	0.00**
5	have computer skills	2.85	%71.31	0.00**
6	Have English language Skills	2.69	%67.37	0.00**
7	Training courses (after graduation)	2.61	%65.27	0.00**
8	Training courses (before graduation)	2.43	%60.67	0.00**
9	Family and relationships	1.79	%44.80	0.00**
10	University/college assistance	1.48	%37.09	0.00**

\*\* Mean is significantly more than 50% at the 0.01

#### 4.6 Time needed for graduates to find job.

The study pointed out that 13% of the sample was able to obtain an official job in the first year of graduation, while about 23% of the

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sample was able to get jobs in the second year.

Also, the study pointed out that about 82% of graduates have begun the search for employment after graduation, compared to 11% who were looking for a job even before graduation. This meant that 93% were looking for a job directly either before or after graduation, which made them into the labor force formally.

Considering gender, results showed that 83% of the male and 81% of the female were looking for work after graduation, compared with 12% and 11% prior to graduation respectively.

#### **4.7 Employers' evaluation of their employees:**

With respect to constraints facing the graduates at work from the employer's perspectives, results showed that lack of English language skills took the No. one ranking of obstacles, followed by lack of practical skills, weak skills in the field of specialization, lack of computer skills, lack of skills related to the use of modern technology, and finally the inability to adapt to the working environment.

#### **4.8 Graduates' Preparation & Labor Market Needs:**

Employers were asked about the adequacy of the graduates' preparation to meet the institution's needs. Employers' answers were in general positive. The highest scores were given to the following items: Have high morals and values, the compliance with regulations and laws applicable in the institution, and the professional performance in the area of specialization. However, the lowest scores were given to the following items: English language skills, the ability for innovation, creativity and analysis, and the ability to individual initiative and solving problems. More details are shown in table (6).

#### **4.9 Employers' Motivation to cooperate in order to improve students' professional performance**

Data showed that employers had in general positive evaluation with regard to universities' and colleges' preparation of students. Data showed also that employers had interest to cooperate with TEIs in order to improve students' professional performance. This implies cooperation could be achieved to enhance the relationship among TEIs, the private and the public sectors. More details are shown in Table (7).

**Table 6 The adequacy of the graduates' preparation to meet the institutions' needs**

item	Mean (scale used from 1 to 5)	Weighted Mean	Signi- ficance
Have morals and values	3.74	74.81%	0.00**
The compliance with regulations and laws applicable in the institution.	3.49	69.88%	0.00**
The professional performance in the area of specialization.	3.46	69.25%	0.00**
The ability to work under stress	3.36	67.22%	0.00**
The ability to work with others	3.35	67.08%	0.00**
The ability to work with the public	3.32	66.42%	0.00**
Could adapt to work environment	3.30	66.06%	0.00**
Ability to benefit from experienced employers in the institution	3.28	65.67%	0.00**
Ability to work overtime	3.27	65.33%	0.00**
Ability to do multiple tasks	3.25	64.92%	0.00**
Skills related to get a job	3.24	64.77%	0.00**
Fast and accurate performance of tasks	3.24	64.77%	0.00**
Could adapt to external factors	3.22	64.44%	0.00**
Have computer, internet and modern technology skills	3.20	63.90%	0.002**
Specialized knowledge	3.17	63.33%	0.006**
To be up-to-date in the area of specialization	3.10	62.09%	0.091
The ability to write required reports	3.10	61.92%	0.099
The ability to solve work problems	3.05	61.00%	0.236
The ability to have individual initiatives	3.04	60.83%	0.286
The ability to be innovative	2.97	59.42%	0.349
English language skills (reading and writing)	2.79	55.82%	0.001*
Grand mean	3.24	64.84	0.000**

\*\* Mean is significantly more than 60% at the 0.01

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\* Mean is significantly lower than 60% at the 0.01

**Table (7) Employers' evaluation & interests for cooperation**

#	item	Mean (scale used from 1 to 5)	Weighted Mean	Signifi- cance
1	There is a need to improve courses offered by university/college	3.19	79.81%	0.00**
2	The institution can use university theses & students' graduation projects to solve some of the institutions problems	2.75	68.70%	0.00**
3	The institution would like to have some of the employees to teach some of the practical courses	2.66	66.42%	0.00**
4	The institution could contribute to academic programs	2.56	64.02%	0.00**
5	The institution could have agreements with universities and colleges for practical training	2.45	61.30%	0.00**
6	The institution has additional resources to train undergraduate before graduation	2.27	56.65%	0.00**
7	The institution could participate in supporting and financing educational resources such as the library and labs.	2.14	53.47%	0.02**

**\*\* Mean is significantly more than 50% at the 0.01**

## 5. Recommendations & Policy Implications

The Palestinian Tertiary Education system in West Bank and Gaza is facing many challenges; one of them is to satisfy the increasing demand from the growing population of secondary education graduates while enhancing the quality and relevance of programs offered in order to meet the changing needs of the local and global community.

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The WBGS are displaying an impressive growth in higher education. The study showed that student enrollments in local universities increased 415% between 1994 and 2007, and the number of graduates from the HEIs also doubled four times during the same period. However, the absorption rates of graduates into the local economic sectors showed a slow and static trend.

The absorption of growing numbers of graduates depends not only on the subjects studied or the possession of skills and academic qualifications, but also on the ability of the public and private sectors to create jobs.

The problem facing Palestinian institutions is how to maintain continuous contact with alumni and seek their advice regarding their programs. Maintaining a sense of community among alumni of a program is difficult. At least two important issues were addressed in contacting alumni. The first was the need to develop instruments that will facilitate large response rates. The second was locating current contact information for alumni when a complete database has not been developed.

The collected data from the different questionnaires was very rich and very informative. Data analysis showed that results can provide useful inputs for policy makers at different TEIs and the MOEHE in planning for Palestinian Tertiary Education in terms of the relevancy of offered programs to the labor market needs.

The MOEHE could plan a well developed follow-up mechanism to ensure that all the PHEIs are able to implement and use data collected from a special model properly.

#### **Policy Implications:**

Based on the results achieved above, the following policies are presented to improve the performance and the functioning of the labor markets for graduates.

- a. Introduce measures to determine subjects for study according to economic factors such as the cost of education, expected income after graduation, and available vacancies. Students will then enroll in fields that may guarantee acceptable jobs with high incomes and returns while specializations not required by society will disappear. However, social factors are still the major determinants



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for students enrolling in a field of study and education is considered a product for consumption. The funding of university education could be financed via the establishment of loan funds for students, making available detailed publications on available jobs.

- b. The curricula pertinent to fields of study that produce surplus graduates should be modified and revised to make them more flexible and more responsive to market needs. This should improve the quality of Palestinian higher education by helping achieve the following:
  - Draw up plans to retrain faculty members involved in teaching specializations with too many graduates to study these new courses.
  - The relevant authorities must establish a clear policy. The Ministries of Education and Higher Education, and Labor in particular need to coordinate the relationship between higher education institutions and the public and private sectors. A framework of transparent arrangements is needed to create a coordinated relationship between higher education institutions and funding that will lead to establishing new facilities in accordance with the following medium and long term plans:
    - Developing curricula, programs and courses more closely linked with the labor market and local environment. These will be adaptable, offering training and applied courses to students and supporting and funding educational facilities such as laboratories and libraries.
    - For courses and programs to be linked to jobs, the higher education institutions must be fully aware of the facts relating to the labor market. This will enable them to provide advice and guidance on different issues pertinent to the nature of the profession and the requirements demanded of graduates. The private sector should provide the following means to the HEIs:
      - (i) Provide both technical and financial support for academic subjects required in the local market at the expense of subjects no longer required.
      - (ii) Coordinate between private and public sector institutions and ascertain their number of graduates

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and skills required. The Ministry would act as a link between these bodies and higher education institutions, enhancing their role in formulating policies and the conditions for the licensing and approval of academic programs.

- c. Provide higher education institutions with financial assistance, especially those in chronic financial difficulties.