



# Inefficiency in the University-Industry Relationship

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## Abstract

This article focuses on the employment status after graduation (2012-2022) of the Faculty of Social Sciences of Allameh Tabatabai University. It identifies the most critical challenges they face in seeking a job. The research approach is combined and based on the survey method in the first stage, as well as open question coding and theme extraction with the thematic analysis method. In the first phase of the research, an online questionnaire was designed and presented to the statistical population of 2088 people, and 268 of them participated in the survey. Descriptive findings show 68.3% of the graduates, of which 35.1% had permanent government jobs, the lowest number, equal to 6.3%, were self-employed, and 31% were unemployed and looking for work. 47% of the respondents believed they faced many problems finding a job. The most significant problems identified included unfair selection in the labor market, lack of interaction between the university and the market and industry, substantive and functional ambiguity for employers, personal problems, and The instability of the labor market in the country.

Additionally, the findings indicate the disconnection of university graduates with the university and their lack of benefit from the support network of professors and specialists after graduation, the lack of demand-oriented academic courses, and the lack of familiarity with the labor market. After the students' graduation, the link between them and the university became lost. Another problem refers to defining the course contents in a theoretical way, especially in the majority of social sciences.

**Keywords:** Industry / Market and University, Employment graduates, Social sciences.



**Problem Statement:**

The article examines the issues and inefficiencies in the relationship between universities and industry in Iran. This inefficiency has created significant challenges for graduates in finding suitable employment. In recent years, the unemployment rate among university graduates has become a major societal issue in Iran. This is particularly evident in the humanities and social sciences, where graduates need more practical skills and work experience to enter the job market.

The weak connection between universities and industry has led to university curricula not aligning adequately with the job market's needs. On the other hand, industries are reluctant to hire fresh graduates, believing they need more practical skills and preparation for job responsibilities. This situation has resulted in increased unemployment among graduates and decreased productivity of the country's workforce.

The primary issue discussed in the article is how to bridge the gap between universities and industry so that graduates can more easily enter the job market and industries benefit from educated and fresh talent. The imbalance between the supply and demand of educated labor in the job market and employers' unfamiliarity with graduates' capabilities are the main challenges of this disconnect.

**Objectives:**

- Identify the challenges and problems graduates face when entering the job market.
- Examine the relationship between universities and industry and its impact on graduate employment.
- Provide solutions to improve the connection between universities and industry.

**Research Questions:**

- What is the employment situation for graduates?
- What problems do graduates face when finding jobs?
- How does the university-industry relationship affect employment?

**Research Background:**

The background section reviews previous research and theories examining the relationship between university and industry. These studies generally show that the connection between universities and industry is critical in improving graduate employment outcomes. The article references several domestic and international studies:

In developed countries, successful university-industry models have led to sustainable employment for graduates. These relationships often include joint research projects, internships, and educational programs directly aligned with market needs. Studies show that universities in prosperous countries actively contribute to developing a workforce with the skills industries need. Governments usually support these collaborations through policies that promote education and employment.

Although efforts have been made in Iran in recent years to improve this relationship, these measures have yet to be systematic or widespread. Domestic research has shown that the lack of effective university-industry connections is one of the main reasons for the inefficiency of the higher education system in preparing graduates for the job market. Previous research also highlights the significant problems of the mismatch between educational content, the real needs of industries, and the need for internships. This gap is especially pronounced in the humanities and social sciences, leading to higher unemployment rates among graduates.

The literature review shows that educational policies in Iran still need to adequately focus on strengthening university-industry collaboration. More supportive laws and appropriate legal frameworks are needed for implementing joint projects between universities and industries.



Additionally, the complex bureaucracy and insufficient financial support for university innovations related to industry have been mentioned in previous studies as barriers to effective university-industry relationships.

### **Theoretical Framework:**

The theoretical section of the article emphasizes the importance of theories regarding the university-industry relationship. Various theories exist in this field, each examining the role of universities in creating employment from a different perspective. One of the main theories is that universities should have an educational role and act as centers for knowledge production and innovation that can contribute to industrial development. This theory stresses the need for university curricula to align with the job market's needs and equip graduates with practical skills. Previous studies show that in developed countries, effective university-industry connections have improved graduate employment outcomes. This relationship includes collaboration in joint research projects, offering internships, and creating academic programs based on industry needs. These models in prosperous countries have built a vital bridge between academic education and employment.

In Iran, despite some efforts in this area, a practical and systematic university-industry relationship has yet to be established. The lack of supportive policies, inadequate infrastructure, and insufficient interaction between universities and industries are reasons for this inefficiency. Based on these theoretical considerations, the article suggests that structural reforms in the country's educational and economic policies are necessary to utilize the potential of university graduates and reduce unemployment properly. Based on these theories and considerations, strengthening the university-industry relationship and creating more effective educational programs could be the key to solving graduate unemployment issues and increasing productivity in industries.

### **Methodology:**

The research approach is based on a mixed-method strategy. In the quantitative section, the survey method was used to examine population characteristics distribution through data collection. In the first phase, after reviewing the related research background and theoretical foundations, a researcher-made questionnaire was developed and distributed online to Faculty of Social Sciences graduates over the last ten years (from 2012 to the end of 2022). The statistical population of this research included 2,088 individuals, with 268 participants in the study. Despite the researcher's awareness of the advantages of random sampling and its validity, due to time, workforce, and financial constraints, the online questionnaire was used on the Porsal platform. Therefore, participants' involvement in this research was entirely based on their willingness, and the sampling was non-random and convenient. Data analysis was then performed using SPSS statistical software, and descriptive analyses of the variables' status were presented. In the second section, the analysis of open-ended questions in the questionnaire was conducted, and based on the respondents' detailed answers, the responses were first coded and then categorized into a chart of primary, secondary, and concept categories.

### **Research Findings:**

In the findings section, descriptive findings related to the employment status of graduates revealed that:

- Among the participants in this study, 68.3% have not yet secured permanent employment.
- Many graduates, even years after graduation, have been unsuccessful in finding jobs suitable to their education.



- Many graduates are forced to work in fields unrelated to their academic majors, indicating a mismatch between the skills learned at university and the job market's needs.

- Many university programs, especially in the humanities and social sciences, lack internship opportunities and practical experience, leaving graduates without sufficient work experience upon entering the job market.

In the second phase of the study, analysis of the open-ended responses from graduates revealed that the main problems they face after graduation include:

- **Unfair Selection:** One of the significant issues is the unfair hiring process. Companies prefer individuals with work experience and give fewer opportunities to fresh graduates entering the job market.

- **Lack of Practical Preparedness:** Many graduates feel that universities have not adequately prepared them for the job market. In many fields, especially in the humanities and social sciences, internships and practical experiences are insufficient, preventing graduates from acquiring the practical skills needed in the workplace.

- **Lack of Effective Interaction:** One of the most significant findings is the lack of effective and efficient interaction between universities and industries. Universities focus more on theoretical education and pay less attention to the real needs of the job market.

- **Insufficient Awareness of Potentials:** Many employers and industries are not familiar with the potential of graduates, which results in less utilization of their talents. Universities have also been unsuccessful in effectively presenting the capabilities of their students to industries.

- **Mismatch Between Education and Job Market:** In many fields, the educational content does not align with the real needs of the job market. This misalignment has created a gap between graduates' skills and employers' demands.

### Conclusion:

The article concludes that the inefficient relationship between universities and industry is one of the key factors contributing to the rising unemployment rate among graduates in Iran. This weak connection prevents students from quickly entering the job market, and the skills learned at university do not align with the real needs of the job market. This issue is especially acute in the humanities and social sciences, which are less likely to include internships and practical experience. Furthermore, the analysis of the research results shows that:

- The inefficiency of the university-industry relationship has led to increased unemployment among graduates, forcing many to take jobs unrelated to their fields of study. This situation, on the one hand, reduces workforce productivity and, on the other hand, increases job and social dissatisfaction.

- Graduates face numerous challenges, including a lack of practical experience, insufficient skills for entering the job market, and a lack of awareness of job opportunities.

- The article emphasizes that to bridge this gap, universities must align their educational programs with the real needs of the job market. Effective university-industry relationships, through strengthening internship programs, joint research, and close collaboration with employers, can help improve this situation.

- Structural changes in the educational system, including adding practical and internship courses to academic programs, especially in non-technical fields, seem necessary. These changes should be made in consultation and cooperation with industries and employers so that graduates enter the job market with practical skills and up-to-date knowledge.

- The article suggests that the government and educational policymakers should actively create and strengthen legal and supportive frameworks to enhance the university-industry relationship. Supportive policies could include providing financial incentives to companies

collaborating with universities or creating intermediary institutions between universities and industries to facilitate these connections.

- Another suggestion of this research is to establish sustainable communication networks between universities and industries, including incubation centers, science and technology parks, and industry liaison offices. These networks can help with graduate employment and contribute to technological development and innovation in the country.

