

## From university to labour market in the 21st century:

a step forward in work-based placements

UniLab

National Report for **Azerbaijan**



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## LIST OF ACRONYMS

ASOIU	Azerbaijan State Oil and Industry University
EUCEN	European University Continuing Education Network
HEI	Higher Education Institution
ILO	International Labour Organization
UniLab	From university to labour market in the 21st century: a step forward in work-based placements
WBL	Work-based learning



## OBJECTIVES

The objective of the study is to reveal how university-business collaboration is carried out in Azerbaijan in terms of work-based learning (WBL) opportunities created for students.

Also, the study will explain the legal and practical processes in Azerbaijan as well as their shortcomings and limitations. The study is also based on the small-scale survey of AZ employers carried out to explore the principles of student internship with universities.

The results of the study will contribute to better understanding of the current situation and will help in developing a model of WBL for Azerbaijani Higher Education Institutions (HEIs).



## METHODOLOGY

This study has been completed by collecting data through desk research, case studies from one private and one state university and a survey conducted among employers. Triangulation of the data sources assured the reliability of sources. The data collected was then analysed to complete a picture of how WBL is conducted in the country and what is the collaboration level of employers with the universities when it comes to student internships.

### Desk Review

The main legal documents representing a state vision on WBL were analysed and presented in this study. National laws, decrees and regulations pertaining the WBL in Azerbaijan were reviewed and analysed. A detailed summary of the literature review is provided in the following sections of the current report.

### Case Study

In order to present the picture of how WBL is directly managed by universities, the example of two universities are presented in this report. The two universities presented in this report – partners in the UniLab project - have different ownership: one is private and the other one is public. This can improve the reliability of the data provided. Although student internship is regulated at state-level, some minor differences exist within universities.

### Survey

The survey was sent by the two AZ universities partners in UniLab to employers by email. More than 35 companies received the emails, following a telephone conversation, but only 13 of them agreed to fill in the survey. The majority of the companies refused to fill in the survey due to the reason that they considered some of the questions dealing with confidential information. Nevertheless, the analysis of the survey is presented in the subsequent section of this report.



## EXECUTIVE SUMMARY

Cooperation between university and industry is based on the fact that both parties receive significant benefit, which is hard to obtain outside the framework of this cooperation. Indeed, it is one of the ultimate goals of the university-industry relationships to collaborate in knowledge creation, knowledge and technology-transfers, commercialization of knowledge. Consequently, this relationship turns into a mechanism for knowledge flow (Mueller, 2016).

Student internship in Azerbaijan is organized according to the requirement and provisions of National Legislation by Resolution No. 221 dated September 19, 2008. According to the regulation, student internship is an integral part of student's study plan and each student should have his or her internship during 3<sup>rd</sup> or 4<sup>th</sup> year of his study.

Although Azerbaijani educational legislation provides a legal basis for the internship to be provided by HEIs, certain incompatibilities are obvious from the undertaken study:

- **Low-level cooperation between companies and universities** - As the study shows, the relations between companies and universities are not well established. The number of responses from companies serves as an evidence for this conclusion. Most of the relations are developed haphazardly or to serve the requirements of the state standards. While legislatively there is a base, universities lack resources and capacity— human and financial – to successfully implement the WBL in places.
- **Incompatibility of student competences** - 63% of the companies participating in the study agreed that student theoretical knowledge and practical skills are not sufficient to be successful in the workplace. This data allows us to conclude that universities should build better cooperation with the industry in terms of receiving constant feedback on the graduate employability level and the content of the study programs.
- **Lack of follow-up system of student employment success** – The majority of HEIs in Azerbaijan have no system to follow up graduate employment within some specific time period. Even at state level, there is no statistics provided on the graduate employment like, for example, in the case of Australia *Graduate Destination Report*<sup>1</sup>.

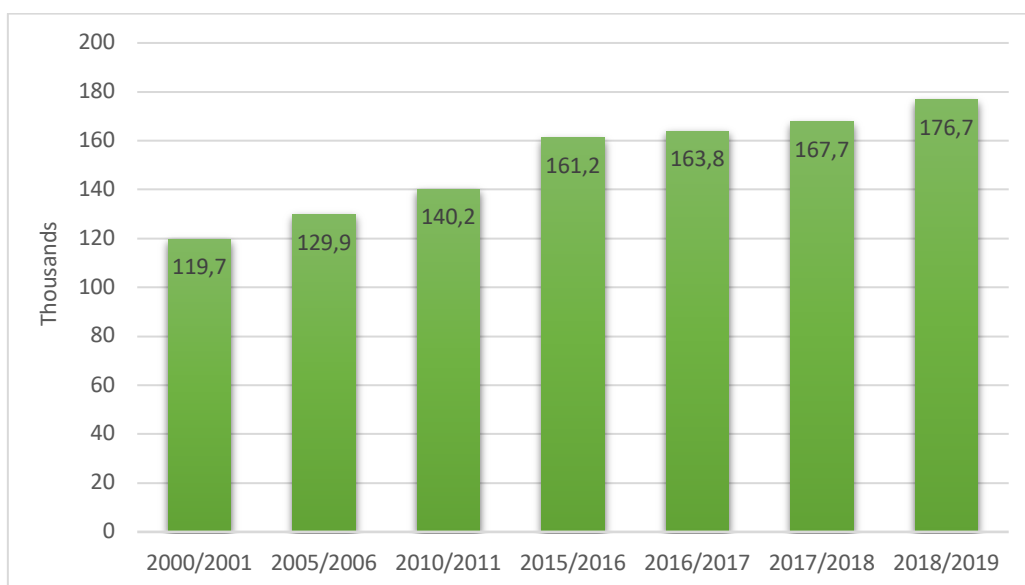
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<sup>1</sup> <https://www.qilt.edu.au/qilt-surveys/graduate-employment>



## INTRODUCTION

Azerbaijan is a newly independent state making efforts to implement reforms in many fields and Higher Education is one of the priority areas. According to the statistics of 2018-2019, there are 52 Higher Education Institutions and 176 723 current students in the country. The positive tendency in the number of enrolled students is observable. The below graphic presents the number of students for the last 10 years.



**Source: state statistics committee**

However, unemployment rate among youth in Azerbaijan remains high. According to the *Attaining SDG 8 in Azerbaijan Report (1)*, the percentage of inactive people in the labour force is 36%, with 23% of those being young people not involved in education, employment or training. There is not the exact number of unemployed university graduates, since only few universities have their databases on Alumni employment. One of the greatest challenges of HEIs in Azerbaijan remains uncontrollable situation with the graduate employment.

Nevertheless, several reforms are taking place to improve the situation with graduate employability. For example, expanding relations of higher education with employers, especially their participation in the legislative and educational programs' development areas has changed considerably. Several TWINING projects implemented by the government agencies have involved employers into the decision-making concerning study programs. Despite the fact that changes are taking place, incompatibility between the education



provided in higher education and the content of knowledge required by enterprises has not been explored and studied, thus remaining as a challenge to the expansion of university-industry relations.

Another contributing factor to the development of university-industry relations can be *The National Employment Strategy for 2019-2030* developed with the support of International Labour Organization (ILO). Under this strategy, 530 Ministry staff responsible for job placement, training, retraining, and vocational guidance have participated in the ILO trainings and gained important new skills. The new competences developed will enable the Ministry of Labour and Social Protection of Population to manage labour resources, employment, and social protection effectively. In this capacity they will be able to provide better services to young job seekers<sup>2</sup>.

## LEGAL FRAMEWORK OF INTERNSHIPS IN AZERBAIJAN

Student Internship in Azerbaijani Higher Education is regulated by the Decision of the cabinet of ministers of the Republic of Azerbaijan (By Resolution No. 221) dated September 19, 2008. According to this resolution (provision 1.2) student's work-based experience is an integral part of the relevant educational program. According to provision 1.3. of the same resolution *"The organization, scope, purpose and duration of the internship are determined by the state educational standards in the relevant areas (specialties) where the training is carried out"*.

State standards of Higher Education are developed by the Ministry of Education of the Republic of Azerbaijan. All HEIs in Azerbaijan are using the same standards for their study programs, although private HEIs are more flexible with the design of their study programs.

Student internships within the study programs are organized by universities during 3<sup>rd</sup> and 4<sup>th</sup> years of the study depending on the major. It is required by the same resolution that HEIs have agreements with companies to provide students with work-based internship.

### The main types of the Internship:

The main types of Internship stipulated in the Resolution are:

- Teaching Internship;
- Production (practical) Internship, including pre-diploma Internship.



As it is stipulated in the provision 2.2, “teaching Internship is determined by educational institutions in accordance with state educational standards, taking into account the characteristics of a major”.

**Production (practical) Internship**, as a rule, consists of vocational training and prediploma experience, and at the master's level - scientific research and scientific-pedagogical stages. Pre-diploma internship is the final stage of training and is carried out after the completion of all theoretical classes and other types of internships.

- to strengthen, deepen the theoretical knowledge acquired by the student in high (secondary special) school and to ensure its use in further labour activity;
- to acquaint students with new technologies, methods of work, scientific research and other issues, depending on the profile and nature of the specialty;
- to inculcate business, organizational and communicative skills in students;
- to improve students' knowledge in the field of computer technology;
- to strengthen the tendency and interest in the pedagogical profession among students studying in pedagogical specialties and to develop the ability to carry out educational work creatively.

Universities are required under the provision that Production (practical) internship is carried out on the basis of bilateral agreements concluded between educational institutions and manufacturing institutions. According to these agreements, regardless of ownership and organizational-legal form, enterprises must allocate internships for students of state and non-state higher (secondary special) educational institutions.

The review of Azerbaijani legislation reveals that the country's national legislation, in fact, provides legislative basis for successful student work-based internships. The main feature of the legislative base is that it provides universities with flexibility to organise student internships at the same time providing guidelines of how universities should build the cooperation with the industry to be successful in supporting student Internships.



## CASE STUDIES

### Khazar University

Khazar University is a private educational institution for undergraduate, graduate and professional studies promoting advanced study and research, educational policy and development in the Republic of Azerbaijan. Khazar has been established in 1991 as a first private university in Azerbaijan.

Khazar also is one of the leading universities in Azerbaijan in terms of its relations with industry. Today the University has established effective relations with the leading local and international companies. Extensive relations with the industry are also a result of a cooperation between professors of Khazar University and the industry. Professors of Khazar have earned recognition and leadership in their professional fields, many of them are business leaders, artists and lawyers with national and international reputations.

Student internships at Khazar University is regulated according to the Resolution No. 221 of the Azerbaijan Republic dated September 19, 2008. The internship is managed by an Internship Agreement signed between the University and the Company. Although student internship is regulated by the state, there are some minor differences within universities. For example, Internship for students from education major at Khazar University is organized twice.

The structure of the internship program at Khazar University is different and it varies depending on the major. For example, students studying at Education majors have their internship during the 4<sup>th</sup> year of their studies for 12 weeks per each semester. According to the Standard for Bachelor Program (for example, Chemistry teacher), the internship can take place in primary and secondary school. Before the internship starts, a **tripartite agreement** is signed between the university, the school (where the internship takes place) and the student. The agreement defines conditions, functions and responsibilities of the student and other relevant details. Apart from the agreement and identified roles, each intern student has a supervisor who is guiding them throughout the internship program. The topic or the title of the project student worked during the internship is indicated in the Diploma Supplement.

Students of Khazar University in Education majors with a 5-year study period are having an internship during the 1st semester of the 5<sup>th</sup> year as passive practice (4 months, 12 ECTS),



and the 2nd semester of the 5<sup>th</sup> year as an active practice (4 months, 12 ECTS). All students of Teacher training majors are holding their practice at Khazar University Dunya School, which is the private school with IB Program.

Students of all other majors are having their Internship during the last semester of the 3<sup>rd</sup> year. In this case an Internship continues for 4-5 weeks and worth 6 ECTS. Each student has a tutor assigned from a university and a mentor assigned at workplace. Mentor and student feel in the log every day, and by the end of the Internship the mentor writes a report which serves as a basis for student assessment.

### **Azerbaijan State Oil and Industry University (ASOIU)**

ASOIU, founded in 1920, is one of the largest public universities in the Caucasus region with more than 16 000 students and 400 international students among them. 640 lecturers with different academic degrees train students in more than 50 fields of study. The University has seven major faculties - Geological Exploration, Oil and Gas Production, Chemical Technology, Oil Mechanical Engineering, Power Engineering, Technologies and Control, Economics and Management, BA Programs and Azerbaijani-French University (UFAZ) under umbrella of ASOIU.

In the 2019-2020 academic year, 2,168 fourth-year students studying at the Azerbaijan State Oil and Industry University organised practical internship in 186 companies, while other 171 students individually undertook practical internship in 128 companies.

Enterprises and companies for practical internship are determined by the university according to the specialties of students and the topics of thesis. The university appoint 1 specialty teacher and 1 person from the enterprise for every 15 students from the university to monitor and support of internship process of students. Individual internship is also possible after a student chooses the company he/she wants to have an Internship with and a company sends an official letter to the university mentioning that the company is ready to accept the student. Otherwise, the student undertakes an internship at an enterprise determined by the university.

Students who are not successful in the internship are not allowed to defend their diplomas. The results of the experiment are evaluated on a 100-point grading scale. The grade is influenced by three factors: the student's attendance rate, the report on the knowledge gained during the internship, and the review of the commission. The contribution of the internship to the thesis plays an important role in the defence of the diploma. ASOIU's



students undertake internships in leading governmental and non-governmental organizations, companies and enterprises in Azerbaijan. In addition, opportunities have been created for some students to undertake internship in Russia, Turkey, Kazakhstan, France and Norway.

ASOIU also provides opportunities for 3-4 year students to undertake year-long internship voluntarily. The university has signed agreements with dozens of enterprises and companies for undertaking paid internship of students out of school hours on certain days of the week for 4 hours a day. In the 2019/2020 academic year, 204 students have undertaken year-long internship. Their transportation and lunch expenses were covered by the enterprise and in addition they were paid a certain amount of money. Year-long internship plays a key role in the process of next employment of students, and every year dozens of ASOIU students receive job offers in these enterprises after undertaking year-long internship. In total, the employment rate of ASOIU graduates in the first year after graduation is more than 80%.

## NEEDS ASSESSMENT SURVEY

Khazar University and Azerbaijan State Oil and Industrial University have sent out an assessment survey to 35 companies operating in Azerbaijan and were able to collect answers from 13 (37%) companies, therefore making the results collected very limited in terms of their representativeness. Some companies were resistant to fill in the application form because they considered some questions asking confidential information. Around 60% of the companies surveyed belong to the Industry or Energy sector, followed by Bank Sector and others.

The study revealed that companies interact with universities mainly through the provision of places for practical training in the company. 84% of the companies interact with universities through participation in job fairs. 61% of the companies are providing trainings/seminars/master classes for students and graduates. More than 53% of the companies are providing internships for students.

The study also reveals that responsibility for practical training in the companies during internships in 69% cases are taken on by individual experts/mentors and in 61 % of by special units. Most of the companies (58.3%) have staff responsible for supervising students need training.



The study revealed that during internship program students are involved in different activities. In 75% of cases students are observing and are participating in the projects. Students are also involved in the production processes in 50% of cases. Only in 40% of cases students are involved in analytics. The study also revealed that, during their internships 63.6% of students are not paid, 18.2% are partially paid and only 8.2% are paid.

Another interesting fact revealed by the survey is that there is incompatibility between competences demonstrated by graduates and needed by the industry. According to the survey results, the main weaknesses of students during their practical training are their low level of theoretical knowledge (63%), insufficient level of practical skills (63%), lack of desire and motivation to work (54%), lack of desire for self-education and self-development (45%), low level of discipline (27%), low level of general professional training (18.2%), low learning ability (18.2%). As the survey reveals, students would also have distorted expectations about the company's structure, hierarchy, functions performed (27.3%).

Respondents also mentioned that students are supported with consultancy (83%), inclusion in working groups (83%), mentoring (66%), safety-awareness briefing (58%), access to documents to train them to perform tasks.

Companies (50%) indicated that they provide informal or oral feedback to the trainees, 41% of them mentioned that feedback is provided to the university, 33% of them mentioned that their performance is indicated in the diaries.

Interactions of companies with the educational institution in 66% cases are fulfilled through the Career Centres, 41% of companies contact with university departments, 41% of companies have personal contacts, 16% with directors of the institutes.

Companies offered some practical advices to improve the effectiveness of providing student internship such as (a) improving interaction between the company and the university; (b) involving students in the project teams; c) paying students; d) appointing a responsible person (supervisor) and mentors in the company; e) improving the interaction with the supervisor/ mentors. 53.8% of the companies said they are ready to employ students after internship, 30.8% are not ready but under certain conditions they would, while 15.4% say they are not ready. Those who reply they are not ready, motivate their reply as a necessity to employ experienced employees. Although the survey revealed that 75% of the companies indicated that they hire students after they have an internship in the company.



58% of the companies responded that they refer to their reserve list when they have new vacancies, whereas 83% responds that they announce a new vacancy, and 75% mentioned that they hire after practical training in the company.

The companies which replied to the survey use criteria to assess the suitability of the candidate such as learning ability (75 %), practical training in your company (67 %), knowledge and competences (58 %), commitment (58 %), the diploma confirming formal education (50%), educational records, the average diploma score (50 %), work experience (42 %), foreign language proficiency (42%), computer skills (42 %), references (25%) and erudition (8.3%). To assess above mentioned competences companies use interviews in 92% of cases, professional testing in 50%, surveys in 33%, case and stress testing in 17% of cases, and check references in only 8% of the cases.

Another outcome of the survey is that only 33% of the trainees were employed by the companies.

The data received from a survey assure one more time that there is a positive perspective in the development of university-industry relationships once the universities have a will to design the Internship to meet needs and expectations of students and employers.



## CONCLUSION

University-industry relationship should be revived in Azerbaijan since few universities are benefiting from it up until now. Here, we refer not only to student internships, but also to collaboration within larger scale research projects. To revive the cooperation, it is important to build trust relationships between the industry and the university.

One of the main aspects of organizing student internships within the industry is that it involves at least 4 stakeholders - **the industry, the student, the university and the Government**. Universities, consequently, should be open for discussions and negotiations with companies and students to receive their feedback, to accept and reflect those changes in the study programmes.

Another issue that highly influences the development of students' knowledge skills and abilities is the lack of **organized extracurricular activities or student experiences** within Azerbaijani HEIs. Student experiences or their engagement in extracurricular activities help students to develop their generic skills, identity, value system which alter helps them to flourish after the university life.

Universities should build a **system to support students'** smoother transition from university to job market. To be able to support this transition university should have Career Centers with appropriate, well-trained and tuned staff members with wide-range of activities to train and prepare students for career life.

Thus, projects like UniLab will provide Azerbaijani Universities with an opportunity to strengthen this relation through involving employers as contributors in developing Curriculum and organizing Internship programs.





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