Executive summary

Many governments in developing countries are realising that the quality of jobs matters for development and that dedicated efforts are needed to support the transition from school to decent work. However, little is known on what actually matters for young people in terms of job characteristics and employment conditions, and to what extent youth aspirations can fit with the world they will be entering. Answering these questions is important for a diverse audience of policy makers seeking to enhance youth well-being, raise labour productivity and contain the chilling effects that unmet youth aspirations can generate on society.

The main objective of this study is to inform decision makers on the need to act on the broad misalignment between youth employment preferences and the reality of labour market. It prompts the following key questions: What is the nature of youth career aspirations and job-related drivers of job satisfaction? What shapes such employment preferences? How likely is it that young people will be able to meet their job aspirations? What can policy makers do to reduce the gap between youth preferences and the reality of jobs?

The study is based on the harmonisation and analysis of data from 32 school-to-work transition surveys (SWTS) conducted by the International Labour Organization (ILO) in developing and transition countries in Africa, Asia, Europe and Latin America and the Caribbean (LAC). This study adds to the global debate on youth employment and job quality in three important ways.

First, it provides for the first time ever a detailed comparative analysis of two critical components of youth employment preferences across the developing world: i) career aspirations of young people aged 15 to 29 who are enrolled at any education level, and ii) job facets that raise job satisfaction based on workers aged 15 to 29. The study shows that young people in developing countries enter the labour market with high career aspirations. In many developing countries and at all education levels, most students aspire to work for the public sector and in highly skilled professions. By and large, youth career aspirations are driven by the social position of young people in society, with the notable exception of female students, who have high career preferences regardless of their background. Using an adjusted measure of job satisfaction that includes information on the desire to change jobs, this study further indicates that a number of job characteristics are associated with greater job satisfaction. Important drivers of job satisfaction in all countries include being self-employed by choice or because it is required by the family, the skill intensity of jobs, having the right skills for the job, training opportunities, job security, formality and labour earnings.

Second, the study assesses the extent to which youth aspirations are aligned with real job characteristics and employment conditions. It shows that, in many developing and emerging countries, existing jobs do not live up to youth aspirations. On the one hand, career aspirations of young people have little in common with current and projected labour demand. Career aspiration gaps are found to be broad everywhere, but their depth differs across world regions. The challenge of unrealistic career aspirations is greatest in Africa and LAC. A major concern is that the gap between youth career aspirations and the reality of the labour market persists for tertiary-educated youth. On the other hand, several employment and job characteristics that make young workers unhappy – such as low-skilled and agriculture employment, job insecurity, informality, skills mismatch and the lack of training opportunities – are relatively common in developing countries.
Third, the study suggests priority areas for policymakers. To address the misalignment between youth employment preferences and the availability of realistic employment opportunities, the report argues, national policymakers should focus on a two-pronged strategy of: i) helping young people shape career aspirations based on relevant labor market information so that they do not build unrealistic expectations, and ii) improving the quality of jobs with due regard to those job conditions that matter for young people. To be realistic, this strategy would also need to be tailored to specific country contexts and recognize that the process of narrowing the gap between youth employment preferences and the reality of jobs may take time. This strategy could be articulated around the following eight goals:

- Guide student learning and career choices.
- Unlock youth entrepreneurship potential.
- Make agriculture and medium-skilled occupations more attractive.
- Extend social protection to workers in the non-state sector.
- Address job security concerns.
- Make work pay.
- Reduce skills mismatch.
- Support formal labor relations.