UNEMPLOYMENT DRIVING FACTORS AMONG GRADUATE YOUTH: A STUDY OF BIRATNAGAR METROPOLITAN CITY

A Dissertation

Submitted to

Faculty of Social Science and Education

in Partial Fulfillment of the Requirements for the

Degree of Master of Philosophy in Economics

Indra Prasad Pyakurel

Examination Roll No: 7615131007

Nepal Open University

Manbhawan, Lalitpur

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DEDICATION

Dedicated to my dear sister-in-law, Sabitri Bhattarai, who touched the lives of so many people with her kindness, generosity, and wisdom. Though she is no longer with us, her spirit lives on and inspires me every day. This thesis is a testament to her unwavering love and support, and a celebration of the beautiful person she was. Rest in peace, my dear sister-in-law, and know that you will always be loved and remembered.

DECLARATION

I hereby declare that this dissertation has not been submitted for candidature for any other degree.

…… December 05, 2022

Indra Prasad Pyakurel

RECOMMENDATION

The undersigned certify that I have read and recommended to the Faculty of Social Science and Education, Nepal Open University, for acceptance, a dissertation entitled *Unemployment Driving Factors among Graduate Youth: A Case Study of Biratnagar Metropolitan city* submitted by Indra Prasad Pyakurel in partial fulfillment of requirements for the degree in Master of Philosophy in Economics.

…… December 05, 2022

Bhim Prasad Bhusal, PhD

Dissertation Supervisor

LETTER OF APPROVAL

Master of Philosophy in Economics dissertation of Indra Prasad Pyakurel, entitled *'Unemployment Driving Factors among Graduate Youth: A Case Study of Biratnagar Metropolitan City'* presented on December 25, 2022.

APPROVED

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I understand and agree that my dissertation will become a part of the permanent collection of Nepal Open University Library. My signature below authorizes the release of my dissertation to any reader upon request for any scholarly purpose.

---------- December 25, 2022

Indra Prasad Pyakurel

ABSTRACT

Title: *Unemployment Driving Factors among Graduate Youth: A Study of Biratnagar Metropolitan City*

Approved

The economy of Nepal has been facing high and persistent unemployment as a challenging socio-economic problem since the long-time, especially after political transition of 1990s. Research has shown that unemployment is a pressing issue among young graduates. While some studies focused particularly on youth and their unemployment situation after the graduation, but why/how youth graduates are still unemployed in Nepal's context is yet to be explored. Hence, this study aims to examine the unemployment driving factors among graduate youths in Nepal.

Initially, exploring the conceptual and theoretical background of unemployment, the literature found some potential graduate unemployment driving factors such as age, gender, marital status, job search intensity, social bonding, internship experience, and household characteristics. The literature further indicated that unemployment is not only the problem of Nepal but is also a problem of all countries.

This study analyzed survey data from 384 participants, who were selected through a stratified random sampling method. The data was evaluated using both descriptive statistics, such as frequency and percentage distribution, mean, standard deviation, and cross-tabulation, and inferential statistics, such as the probit regression model. The results indicated that graduate youth unemployment is influenced by various factors, including age, gender, marital status, job search intensity, family income, internships, bonding social networks, and graduation marks, with household size being the only positively impacting factor. Out of these variables, gender, family

income, internships, and graduation marks were found to have a stronger impact on youth unemployment compared to other factors like age, marital status, job search intensity, and bonding social networks.

The study will be beneficial to the government, graduates, college authority and other stakeholders. On the basis of the estimated coefficients of variables used in this study, policymakers may develop different policies, programs, and strategies to lower the graduate young unemployment. Moreover, an area for further research could be a comparative study of unemployment-driving factors among non-graduate and graduate youth.

…….

Bhim Prasad Bhusal, PhD

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Name: Indra Prasad Pyakurel

Degree: Master of Philosophy in Economics

Presented: December 25, 2022

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Indra Prasad Pyakurel, Degree Candidate

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ABBREVIATIONS

ANOVA	Analysis of Variance
CBS	Central Beauro of Statistics
CTEVT	Council for Technical Education and Vocational Training
GDP	Gross Domestic Product
EIU	Economist Intelligence Unit
EU	European Union
ILO	Internation Labour Organization
IT	Information Technology
MLES	Ministry of Labour, Employment and Social Security
MOEST	Ministry of Education, Science & Technology
PMEP	Prime Minister Employment Programme
SD	Standard Deviation
SPSS	Statistical Package for the Social Sciences
UGC	University Grants Commission
UN	United Nation
USA	United State of America
VIF	Variance Inflation Factor
WENR	World Education News and Reviews
YSEF	Youth and Small Entrepreneure Self Employment Fund

CHAPTER I

INTRODUCTION

In the field of macroeconomic research, unemployment has received a lot of attention. This study relates to the unemployment driving factors among graduate youth. This chapter begins with the background of the study, and then the rationale of the study is discussed. Furthermore, the chapter includes a statement of the problem, a purpose, research questions, delimitations, and an organization of the research.

Background of the Study

One of the most challenging issues of the contemporary global economy is unemployment (Shah & Mehta, 1998). Most of the countries are facing the problem of unemployment whether they are developed or underdeveloped (Gatzia, 2012). In this context, the report of the International Labour Organization (2020) says that the youth population of the world increased from 1 billion in 1999 to 1.3 billion in 2019, but the number of young people actively participating in the labour force dropped from 568 million to 497 million over the same time period. The same report also reports that the global youth unemployment rate is 13.6 percent, in which the female unemployment rate of 5.5 percent is so far from the male unemployment rate of 4.8 percent, but this unemployment rate varies according to regional characteristics; the youth unemployment rate in Northern America lies below 9 percent, whereas in the case of Northern Africa, it lies above 30 percent. The youth unemployment rate is three times that of adults around the world (ILO, 2017). This is so because of structural and institutional factors, that is, despite better education with a higher degree, human capital does not build up in youth, so employers prefer more experienced adults over youths (Pastore, 2018).

The youth population covers around 16 percent of the world population (United Nations et al., 2019). Every day, more than 100,000 young people enter the labor force in South Asian countries, which have one-fourth of the world's population (Khatri, 2019). The high supply of the youth population in labour market inversely affects the sustainable development of the economy (Perugini & Signorelli, 2010). However, young people encountered the circumstances where past national and regional economic structures and policies interacted with forces of economic globalization (Assaad & Levison, 2013).

In the context of Nepal, the situation is not different from the global context. Nepal adopted liberalization policies since the 1980s like other South Asian countries, expecting that unemployment would decrease in the future, but no one country, including Nepal, might increase employment opportunities significantly (Dev, 2000). To maintain macroeconomic stability and boost economic growth through structural transformation, Nepal has followed a policy of economic liberalization for the past four decades. It is clear that the country has not been effective in creating jobs and boosting economic growth, notwithstanding some structural improvements brought about by the economic liberalization process (Shrestha, 2017). The integration of Nepal into the global economy has not been favorable for accelerating economic growth, despite implementing intensive reforms. According to Karmacharya (2001), there has been a lack of progress in achieving an economic growth rate and reducing income inequality in Nepal. It indicates that globalization and liberalization policies in Nepal seem less effective at boosting economic growth and creating employment opportunities.

Under the Ministry of Youth and Sports, different policies and programs have been implemented by the government to address the problem of unemployment in

Nepal. The government of Nepal has been formulated the National Employment Policy in 2007 based on Labour and Employment Policy 2006 to create the employment opportunities for youths. To fulfill the objective of the National Employment Policy 2071 (2007), the Youth and Small Entrepreneur Self Employment Fund (YSEF) was established by the government in 2008 with a goal of creating 30,000 jobs for young people in Nepal annually. However, data from 2008 to 2016 demonstrate the failure of this initiative due to the lack of resources, bureaucratic hurdles, weak implementation, and limited scope (Lohani, 2016).

The Ministry of Youth and Sports in 2015 launched the Youth Vision 2025 and Ten-Year Strategy Plan to acquire national affluence, equality, and social justice by increasing youth participation and claimed to invest in life-friendly education, employment, health, and social security (Ministry of Youth and Sports, 2015). But due to the lack of grounded analysis and a clear implementation plan, this youth plan seems likely to be ineffective to influence the youth labour market outcomes (Raju & Rajbhandary, 2018). Recently, the government of Nepal launched the prime minister employment program (PMEP), targeting to deliver a minimum of 100 days of employment in a year to unemployed people (Prime Minister Employment Programme, 2019). This program also seems not to be beneficial to graduate youths because most of the employment opportunities have been generated in the construction industry, which demands less skilled manpower than skilled and educated manpower (The Government's Plan, 2019).

Many studies show that there is a gap between graduate qualifications and the actual requirements of the labour market in Nepal (Adhikary, 2005; Raju & Rajbhandary, 2018; Prasain, 2019). The high gap between the demand for and supply of labour resulted to unemployment and social issues such as corruption, robbery,

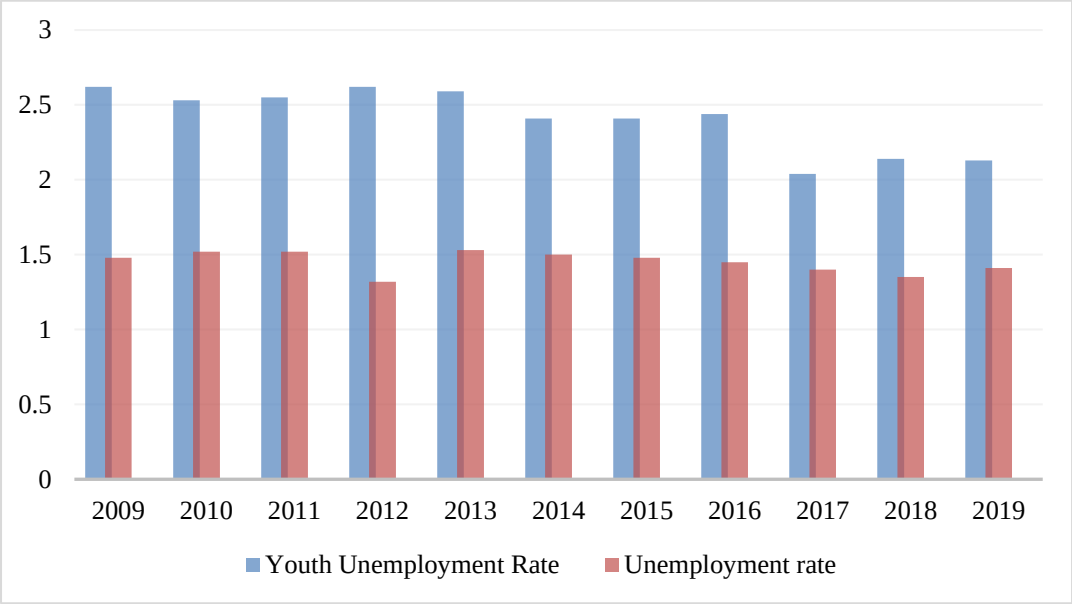
poverty, racism, unequal opportunity, malnutrition and other political digesters (Bay & Blekesaune, 2002; Fougère et al., 2009; Gregg, 2001). The education system of Nepal can be the reason for this mismatch (Neupane, 2020), because generally, the Nepalese education system focuses on academic knowledge rather than technical and vocational education. But today's business institutions want to hire skilled and technical manpower (Wats & Wats, 2009). In order to create technically proficient and skilled human resources, the government of Nepal established the Council for Technical Education and Vocational Training (CTEVT) in 1984 and produces more than 50000 skilled manpower annually (CTEVT, 2012), which is not enough to meet the requirement of the nation.

Young people in Nepal face a number of challenges and opportunities. On one hand, Nepal has a large and growing youth population, which presents an opportunity for the country to harness their potential for economic and social development. On the other hand, young people in Nepal often face a number of obstacles, such as limited access to education and job opportunities, high rates of poverty and unemployment, and limited political representation. Additionally, many young people in Nepal lack access to basic services, such as health care and sanitation, which affects their overall well-being and future prospects. The Central Bureau of Statistics (2011) reported that the youth unemployment rate in Nepal stands at 40.3 percent. Nepal’s population falls within the age category of 15–40 years based on the definition of youth by the Ministry of Youth and Sports (2015), among them, 45.8% are males and 54.5% are females. Under the criteria of United Nations youth people which fall between the age 15-29 years, 28 percent of the total population of Nepal are youths. Youth unemployment in Nepal is high (19.2%) compared to the country's overall unemployment rate (2.7%), despite the significant potential of the young labor force.

It is notable that the jobless rate for college graduates is 26.1 percent, whereas the youth without any degree is three times more employed (i.e., 8.2%) than college graduates (CBS, 2011). The trends of the general unemployment rate and the youth unemployment rate from 2009 to 2019 are presented in Figure 1.

Figure 1

General Unemployment and Youth Unemployment Rate in Nepal



Source: World Bank (2019)

Figure 1 demonstrates unequivocally that the youth unemployment rate exceeds the national unemployment rate. Evidence shows that the youth unemployment rate has slightly declined in recent years, but it does not represent an improvement in the youth unemployment situation. This is due to an increase in the number of high school and college students. According to the ILO (2017), the youth graduate unemployment rate is three times higher than the rate for youth without schooling. It seems problematic for the country, which may threaten both social stability and long-term economic growth prospects.

According to the Economist Intelligence Unit (2014), the graduate unemployment rate in Nepal was around 20 percent in 2013, which was better than 65

percent of Afghanistan and much worse than 7.8 percent of Sri Lanka compared to the South Asian countries. It may be more challenging and problematic in the coming years if universities do not provide quality and technical education (Mathema, 2007).

The problem of graduate unemployment is not unique to Nepal. Most of the countries whether developed or underdeveloped are facing the problem of unemployment. The government of Nepal is trying to manage the unemployment problem, especially youth unemployment, by formulating different programs and policies. Scientific research is required for the formulation of policies and programs related to youth unemployment. But there is a lack of research on youth unemployment in Nepal, especially graduate youth unemployment. Few studies are done on the consequences and effects of youth unemployment, but these are not enough to understand the problem of graduate youth unemployment.

Rationale of the Study

Youth unemployment is a vital problem for any nation, whether it is developed or developing. It directly relates to the economic prosperity, stability, and long-term sustainable development that all the countries want to achieve. Most countries, especially developing and underdeveloped countries, spend a lot of money to create income and employment opportunities, but they are unable to create gainful opportunities (Nishio, 2019). After moving into the developing country category in 2022, Nepal also wants to achieve middle-income status by 2030. Nepal must meet the target of UN-mandated sustainable development by 2030, which is only possible when the government of Nepal formulates suitable employment policies and programs. In this scenario, the research can help the different stakeholders better understand youth unemployment.

Most of the studies about youth unemployment have focused on the trends of youth unemployment, their impact, and macroeconomic determinants. This study examines the unemployment-driving factors of graduate youths in the research area and provides possible ways of tackling the problem to ensure economic development. The research could help the government and other policymakers to develop policies and programs, as well as better understand graduate youth unemployment. Similarly, the study provides information to the youth graduates themselves to help them understand the driving factors of unemployment and the possible ways to overcome this problem. It also adds to our understanding of youth unemployment and fills knowledge gaps about the factors that contribute to youth unemployment. This research can serve as a supplementary data source for future researchers.

Statement of the Problem

In Nepal, a significant portion of the population is comprised of youth, as about 40.3 percent of the total population falls within the age category of 15–40 years (CBS, 2011). This report also shows that 40000 to 50000 youths with bachelor's and master's degrees do not have a stable job, and whoever gets a job is also compelled to work at below the ruling wage rate. Due to the lack of employment opportunities, every year more than 4 million youth migrate to foreign countries to seek employment opportunities, which increased by an average of 47 percent between 1999 and 2009 (Jones & Basnett, 2013).

After the 1990s economic reforms, South Asian countries have achieved an impressive growth rate despite several political, economic and social obstacles (Devarajan & Nabi, 2006). However, Nepal's growth rate has been abridged between 3 and 7 percent over the last decade (CBS, 2019)**.** According to studies, overall economic and political transformation is required for rapid economic growth, but in

the context of Nepal, there is a lack of a practical vision for economic transformation and creating employment opportunities (Haque, 2017).

Agriculture and foreign employment are two pillars of Nepal's economy, and these sectors create more employment opportunities than other sectors. More than 69 percent of the total population of the country is directly or indirectly engaged in the agriculture sector (ILO, 2019), but graduate youth are not motivated to enter the agriculture sector due to the low productivity and presence of different sorts of unemployment in this sector. In this regard, it is believed that people with university degrees have more job opportunities than those without. However, in the case of Nepal, university degrees are not important for getting employed. For example, Table 1 reveals that the youth are employed even without university degrees.

Table 1

Labour Market Status by Education Level *(in percentage)*

Education	Employed	Unemployed	Labour Force	Out of labour force	Working age population
No secondary education	79.3	77.6	79.1	90.2	85.9
Secondary education	11.0	15.5	11.5	7.0	8.7
Tertiary	9.7	7.0	9.4	2.8	5.4
Total	100	100	100	100	100

Source: Nepal Labour Force Survey (2019)

According to Table 1, most of the population of working age has no secondary education, and 77.6 percent of them are unemployed. The tertiary education degree holders cover 9.4 percent of total labour force and around 7 percent are unemployed. This indicates that the knowledge and skills imparted by the universities are

mismatched with the demand in the labour market, as stated by Adhikary (2005). ILO (2014) reports youth unemployment in Nepal among university graduates is three times more than those with no formal education.

A favorable environment for the expansion of higher education was created with the political change in 1951, when the Rana rule was overthrown. Now, there are 15 universities and around 1400 colleges affiliated with different universities in Nepal (MOEST, 2017). It leads to an increase in the enrollment of students in the universities, and parallelly, thousands of university graduates enter the labour market to quest for employment opportunities.

Previously, studies such as Chakravarty et al. (2019), Ahmed et al. (2015), and Sitoula (2015) have used correlational and explanatory analysis to explore the determinants of youth unemployment in Nepal. Similar research has been conducted by Abdallah (2018), Mphela (2013), and Wangmo (2016). Concerning to the slightly different field of graduate unemployment, Mncayi (2016); Longe (2017); de Rheede & Joy (2012) have explored the causes, consequences, and remediable approaches of graduate unemployment. The researcher, like Abdallah (2018) identified the labour market outcomes and subjective wellbeing of university graduates. Scholars like Shanka (2016) have studied the unemployment experiences of young graduates and their attitudes towards business startups. These studies, however, are mostly correlational and exploratory in nature and have not specifically addressed graduate youth unemployment in Nepal. Additionally, these studies were conducted in international contexts and may not be directly applicable to Nepal due to the country's unique economic, political, and social factors (Buttler, 2022).

The dearth of literature examining the underlying causes of unemployment among graduate youth in Nepal highlights a significant gap in the field. In light of this

gap, this study employs a survey design to investigate the specific factors that contribute to graduate youth unemployment in the context of Biratnagar metropolitan city. The lack of academic attention given to this issue in Nepal suggests that policymakers may face challenges in developing effective policies and programs to support graduate youth employment. Thus, the present research aims to address this paucity by examining the driving factors of graduate youth unemployment in Biratnagar metropolitan city.

Purpose of the Study

The main purpose of this research is to find the unemployment driving factors of graduate youth in the Biratnagar metropolitan city of Province One and to examine the extent of personal characteristics such as age, gender, marital status, graduation marks, family background, and job search intensity to define graduate unemployment.

Research Questions

The literature reveals that studies about labor market information on unemployment have been conducted under different aspects. However, research on the unemployment driving factors among graduate youths appears to be limited. In this context, this research attempts to answer the following research questions:

1. What are the unemployment driving factors among graduate youths in the study area?
2. To what extent the personal characteristics; age, gender, marital status, graduation marks, family background, and job search intensity define unemployment?

Delimitations of the Study

Unemployment driving factors among graduate youth in Biratnagar metropolitan city is a descriptive type of field-based research. The study shows the relationship between the dependent and independent variables of youth

unemployment. The limited number of graduates of the Biratnagar metropolitan city covered in this study did not allow for a larger sample size, and the research did not incorporate the views of youth over 35 years of age. Data were collected only from the graduates who passed their Bachelor Master degree in Humanities, Management, Education and Science faculties during 2007 to 2019 in Biratnagar metropolitan city. The reason behind sampling from 2007-2019 is that the 11th to 14th development planning of the Nepal government aimed for employment-centric inclusive equitable growth.

Organization of the Research

The dissertation consists of six chapters. The first chapter is the introduction, which includes mainly the background of the study, the rationale of the study, the statement of the problem, the purpose of the study, research questions, delimitations of the study, and the organization of the study. The second chapter covers the literature review, which includes a theoretical review, an empirical review, the research gap, and the conceptual framework. Chapter three deals with the methodology. Chapter four discusses the data analysis and presentation. Chapter five consists of the findings and discussion. Finally, the sixth chapter presents the summary, conclusion, and implications of the study.

CHAPTER II

LITERATURE REVIEW

Graduate youth unemployment is the central issue in macroeconomic literature that occupies prime space in the developing economy. The main purpose of this chapter is to summarize and synthesize the existing literature on the unemployment driving factors among graduate youths. The thesis is organized chronologically, with a brief overview of the global and Nepali contexts. In this chapter, there is a discussion of the research gap, a review of the theory, and a review of the related literature.

Youth and Unemployment

Youth

Young people's categorization is influenced by various aspects of a country, including its geographical, political, and socio-economic standing (O'Higgins, 1997). It implies that there is no single, unambiguous concept of youth. According to the United Nations (UN), youth are those who are between the ages of 15 and 24. Generally, in industrialized countries, the youth age consists of the minimum limit of this range, whereas developing or underdeveloped nations have the maximum limit of the age range defined by the UN. For strategic framework, the European Union (EU) defines youth as between 15 and 29 years of age (Perovic, 2016). Likewise, the African Youth Charter, launched by the African Union in 2006, set the youth age bracket at 15–35 years (Kayizzi-Mugerwa, 2019). However, in Nepal, the Ministry of Youth and Sports (2015) defines youth as citizens within the age bracket of 16 to 40 years. In developing countries like Nepal, it is more difficult to define youth, especially female youth, due to the values and institutions of the society; they become

more responsible at an early age (Bennett & Karki, 2012). For the purpose of this research, the definition of “Ministry of Youth and Sports" (2015) is used.

Unemployment

Unemployment is treated as one of the most important macroeconomic indicators of the economy. Different economic fluctuations have occurred due to changes in the rate of unemployment in the economy or around the globe. For instance, the great depression of the 1930s was caused by the increasing rate of unemployment along with overproduction and the unequal distribution of wealth and income (Keynes & Krugman, 2007). However, classical economists argue that overproduction and unemployment are impossible in the economy because they believe that “supply creates its own demand” (Say & Reynaud, 1953) and are only concerned with friction unemployment, which will be eliminated in the future by wage and price adjustments. On the other hand, Keynesian economists believe that the economy always reaches an equilibrium below full employment, which is determined by the intersection of the aggregate demand and aggregate supply curves. In the absence of a universal definition, it is necessary to define unemployment from various perspectives.

ILO (1982) defines unemployment as a person who is simultaneously without work, that is, has not worked more than one hour during the short reference period but is currently available for work and actively seeking work. But this definition is not applicable to all countries with different economic characteristics. In the case of developing countries, people are unable to seek employment opportunities due to a lack of financial resources and labour market information. So, the third criterion of unemployment becomes questionable (Strobl & Byrne, 2004). Brandolini et al. (2006) found that the boundary between unemployment and inactivity where people were

available as well as seeking work but their last search for a job did not match with the definition by ILO. Guataqui and Taborda (2006) also challenge the practical application of the ILO's definition of unemployment to address its implications for structural unemployment and unemployed people's educational profiles.

The Ministry of Labour, Employment and Social Security (MLES)-Nepal defines unemployment as a person who falls in the age category between 18 to 69 years and does not involve in any self-employed business or does not work minimum 100 days in a fiscal year (The Right to Employment Act, 2018).

There are various types of unemployment based on the nature and causes of unemployment. The distinction between different types of unemployment helps to understand the problem of unemployment (McConnell & Brue, 1995). Seasonal unemployment refers to the demand for a specific kind of work, and workers change with the change in the season (Ehrenberg & Smith, 2015). This type of unemployment is often seen in the agricultural sector. It is predictable and occurs on a regular basis. Similarly, "frictional unemployment" is the time period between jobs in which a worker searches from one job to another (Mukherjee, 2010). It exists when there is a mismatch of skills, work time, location, attitude, and other factors between the supply and demand for labour. Graduate students can suffer from a spell of frictional unemployment. But this type of unemployment is not more problematic than other sorts of unemployment (Mukherjee, 2010). Additionally, structural unemployment happens when there is a mismatch between the abilities of the jobless workers and the skills required for the available jobs, preventing the labor market from being able to accommodate everyone who wants a job. Structural unemployment is hard to separate empirically from frictional unemployment, except that it lasts longer. As with frictional unemployment, a simple demand-side stimulus will not work to abolish this

type of unemployment easily (Lipsey & Chrystal, 2015). Cyclical unemployment, also known as Keynesian unemployment, occurs as a result of the economy's cycle fluctuations. It exists when there is not enough aggregate demand in the economy to provide jobs for everyone who wants to work (Yellen, 1984).

Like the definition of unemployment, there is also a problem with the measurement of unemployment. There are different ways to measure unemployment in different countries. ILO (1982) states the unemployment rate is obtained by dividing the total number of unemployed persons by the total number of labour force of the country. Generally, it is calculated as a percentage, so it is the ratio of the number of unemployed to the total labour force of the country. The total labor force consists of all employed and unemployed people within an economy.

It is derived mathematically as:

$$Unemployment\ rate = \frac{Number\ of\ Unemployed}{Total\ labour\ force} X\ 100$$

The ILO describes four different methods to calculate the unemployment rate. In the international comparison, labour sample survey method is mostly preferred. Similarly, the official estimates, social insurance statistics, and employment office statistics are also used to determine the unemployment rate (ILO, 1982).

Graduate Unemployment

Graduate unemployment is a specific type of unemployment that occurs among people who hold degrees from higher educational institutions. Oppong and Sachs (2015) define graduate unemployment as "the number or proportion of degree holders (graduate and post-graduate) in a particular country who are able and eager to work but are unable to find employment." This definition distinguishes graduate unemployment from other unemployment because to be a graduate unemployed person, one must have a graduate degree followed by a willingness to work and the

ability to work. Generally, graduate youths are more energetic, capable, and skilled and track the development path of the nation. In this research, graduate unemployment is seen as a standard condition of forced inactivity for higher education graduates who actively seek well-paying employment but are unable to do so in the current economic climate.

Theories Relevant to Graduate Unemployment

This research is built on two interconnected pillars of literature: human capital theory and social capital theory. These theories are examined in this section with the goal of identifying gaps in the literature and how research questions contribute to filling these knowledge gaps.

Human Capital Theory

The concept of capital is multidimensional in the economic literature, including financial capital, organizational capital, intellectual capital, human capital, and so on. Like other physical capital, human capital also helps to promote income and employment generation programs (Chase-Lansdale et al., 2019). Human capital indicates the productive capacities of human beings, which formulate through investment in education and skill development, and it generates income and employment opportunities in the economy (Rosen, 1989). In other words, "human capital" refers to the present value of a past investment in the education and skills of the people (Becker, 1962).

This indicates that human capital is the skills and knowledge developed by economically productive agents. Moreover, Schultz (1961) explains human capital as the investment in the basic requirements of education, health, and internal migration in order to take advantage of better employment opportunities. In the long run, this investment increases the range of choices and advances economic and social welfare

(Barro, 2009). Human capital is also used as an indicator of economic development as well as the productivity of the economy (Tamura, 2006). In this way, an increase in investment in human capital can improve productivity.

In a nutshell, human capital theory, which is centered on the assumption that formal education is crucial for economic development through productivity enhancement, efficiency, and a higher level of human skills and capacities, is the theoretical basis for policies on education and development. Therefore, according to human capital theory, an educated populace leads to a productive country, which creates a solid foundation for investing in human capital. By creating benefits at both the macro and micro levels of the economy, this provides rationale for the significant public investment in education in both developed and developing nations (Almendarez, 2013). The role of human resources in the growth of any country is significant. Generally, human resources establish the basis of wealth for nations. Humans are the only active agents who accumulate capital, exploit natural resources, create social, economic, and political organizations, and advance national development wherein capital and natural resources are passive components of production (Harbison, 1973).

The argument for investing in human capital is first made in terms of the requirement for young people to acquire the knowledge that older generations have accumulated. The youth must also be taught how to apply existing knowledge to create new goods and services that will raise their standard of living. Investing in human capital can stimulate innovation that meets the demands of the international market and creates new products and ideas.

Social Capital Theory

Different social researchers have different opinions about social capital. According to Portes and Landolt (2000), “social capital” demonstrates the capacity to obtain resources due to participation in social networks or more established social systems. In the words of Lin et al. (2001), “social capital emphases the resources entrenched in one’s social network (or relations) and how access to and use of such resources benefit the individual’s actions.” Similarly, Putnam (2000) believed that networks, traditions, and social convictions are social structure traits related to social capital and contribute to societal coordination and cooperation. These definitions reveal that an individual can achieve benefits by being involved in the social network or by being part of the social group. These benefits can be monetary as well as non-monetary in nature, which depends on the nature of social actions and involvements. In this context, the social network also helps unemployed youth enter the labour market.

Trust, social norms, and networks are the three most important parts of social capital (Putnam, 2000). The trust derived from the social capital provides bonds that help the individuals together. Similarly, social networks provide useful information about the labour market and it becomes helpful to link individuals (Putnam, 2000). And the result of such a social network may either be direct or indirect which depends upon the nature of these networks. Social capital is different from other capitals because the social capital contains their relationship with other individuals and organizations not with the individual themselves (Narayan-Parker, 1997). In a comprehensive manner, social capital is not only important for the internal and external relationships, it is more important for the sources and effects of these relationships (Leek & Canning, 2011).

Presently, most of the countries are trying to mitigate the problems of labour market transition. And which seems possible when a country uses its social capital in a proper manner. Many empirical types of research show that underdeveloped countries are unable to use social capital in youth transition into the labour market whereas the role of social capital for youth transition in labour market in developed countries is satisfactory. Some evidence reveals that the role of social capital increases during the period of unfavorable labour policies and unemployment in the economy (Abdallah, 2018). Similarly, Lourenço-Lindell, (2002) argued that the worse economic condition of any nation is the precondition for the emergence of the social support networks. This argument shows the importance of social networks, which individuals can use for their prosperity and advantage (Lourenço-Lindell, 2002). From the Nepalese perspective, Byg and Herslund (2016) argued that social networks engage people in high-input agriculture, business, and paid employment. Similarly, the social capital helps in the development and improvement in education, healthcare, communication, generating economic activities in Nepal (Thapa & Sein, 2010). The social capital only has to face pressure in adding employment opportunities in Nepal. At this time, Nepalese graduate youths are suffering from unemployment and only social networks are unable to provide employment opportunities but it can be a cause of it. However, there is a lack of empirical studies about the probability of employment opportunities through social networks. Similarly, there is a knowledge gap about whether graduate youths are receiving appropriate support from their network relation when they go into the labour market. In this context, this study aims to investigate the influence of social networks on the employment status of graduates.

This study borrows the concept of social capital analyzed by Davidson and Honig (2003), in which social capital is seen by the lance of social exchange, that is,

the risk and benefits and observes the effect of labour market entry of graduate youths.

Market Outcome: Synthesizing the Theories in Relation to Employment Status

What an individual brings to the table in terms of their education and professional experience is considered human capital. The benefits of belonging to a network or social organization have been hypothesized as social capital in this study (Pillai et al., 2017). When it comes to breaking into the workforce, belonging to a network or social structure might replace or supplement formal education, relevant work experience, or other resources. Aside from its manifestation at the group and the persona levels, social capital is a multifaceted phenomenon (Eklinder-Frick et al., 2014).

Access to the labor market is strongly influenced by both human and social capital. They help people break down many of the hurdles they encounter while entering the labor market for the first time, whether in the formal or informal sector. Franzen and Hangartner (2006) argue that informal channels, such as word-of-mouth and connections, are more important than formal ones like job boards and recruitment firms when it comes to filling open positions. These networks help job-seekers access better information, which in turn improves their chances of finding employment. When it comes to the job market, weak ties are the best way to get the word out. Franzen and Hangartner (2006) discovered that graduates in certain European nations reported finding their first jobs through contacts made through their social networks. Network-based job searches are more efficient than traditional methods since they require fewer applications, result in fewer interviews, and get responses more quickly.

In conclusion, entry into the labor market may be influenced by human and social capital, as well as the environment and other personal characteristics including

attitude, interest, and behavior, especially for those who are first-time applicants like the population under study.

Unemployment Driving Factors among Graduate Youths

Undoubtedly, the topic of unemployment in general has gotten a lot of attention in recent years. The challenge among the educated youth, which is alarming, has generated a lot of concerns. Several types of research are found to elaborate the challenge and various interventions have been suggested for addressing this issue. Different studies on youth unemployment in the world have provided important evidence on the size of the youth unemployment problem. Chuang (1999) empirically examined the determinants of youth graduate unemployment in Taiwan. He analyzed a statistical relationship between college graduate unemployment with personal characteristics variables, family background and job search variables. The empirical result shows that personal characteristics and job search variable are significant determinants of graduate unemployment whereas family background show considerably less effect over a period of 1984 to 1985. The Exponential and Weibell model have used to find the result. In conclusion, he raised a question about the employment programs which has had no effect on the duration of unemployment for college graduates.

Age is another significant factor for graduate youth unemployment (Little, 2001). Little argued that older graduates have less chance to be employed than younger graduate in UK because older graduates cannot convince employers of their worth and they are belonging to those institutions that are not part of large employers' targeted recruitment practices. In contrast, Philbert (2016) revealed the negative relationship between unemployment and age of youth.

Using the proportional odds logistic model and the order logistic model, Chiandotto and Bacci (2007) examined how graduates from the University of Florida in the year 2000 put their newly learned talents to use on the job. The study found that with the higher graduation marks, students have more opportunities of finding a suitable position and the more the graduate's qualification is useful for job hunting further he revealed that who have more graduation marks and degrees, they are more satisfies with their job. The possible explanation for this is a rational entrepreneur seeks a qualified and skilled man power in his office rather than average graduates.

In an effort to understand extent, nature and causes of graduate unemployment in South Africa, de Rheede and Joy (2012) applied descriptive statistics and multivariate probit analysis to determine the trends and characteristics of graduate unemployment. Based on the October household survey, the labour force survey and quarterly labour survey, they find the skilled mismatch problem. They also revealed labour market rigidities, high reservation wages, a lack of soft skills and experience as causes of graduate unemployment.

Mncayi (2016) estimates the magnitudes of several variables exert their influence on the unemployment of college graduates. Based on the data from South African university, he uses regression model to analyze the linear effects of some factors, such as gender, marital status, religion, age, job searching skills and use of campus career center, field of study and modules on graduate unemployment. The findings suggest qualification and major subjects held by the graduate play an important role in the employment opportunities for graduates. He also revealed that job market information, lack of job experience and not having political connection directly influence the unemployment status of graduate students. Similarly, he found

that the age, race, self-confidence and higher education institution attended have no influence on unemployment among graduates.

The study carried by Longe (2018) identified a combination of casual factors such as poor political governance and diversification of the economy, lack of synergy of supply and demand for graduates, corruption and lack of national employment policy are responsible for graduate unemployment in Nigeria. In this research, 75 percent respondents agreed on the poor political governance and diversification of the economy as a determinant of graduate unemployment. Similarly, majorities of the respondents (70 percent) agreed with lack of synergy of supply and demand for graduates as a determinant of graduate unemployment. Gassab & Jamoussi (2011) found the mismatch between demand and supply of graduate in the labour market of Tunisia. The study conducted in 2005 and 2007 revealed the massification and lack of creation of adequate jobs as the exponential rise of the graduate unemployment rate in Tunisia.

Under the probit analysis, Abdallah (2018) studied on the determinants of labour market outcomes of university graduates in four public universities in Ghana. The result of the study shows the female university graduates have more chance to get employment opportunities than male university graduates. Further, it finds the social networking in the form of bonding and linking capital decreases the duration of unemployment. An individual gender is found as a significant determinant of unemployment in the study of Tangtipongkul and Wangmo (2017). This study has used 9 different factors as covariates associated with graduate youth unemployment in Bhutan. Unemployment rates were considerably influenced by factors such as education, number of graduates, work experience, career counseling, market information, family income, aspiration for a low-paying job, and education quality;

however, entrepreneurial aptitude had no effect. But in the case of Greece, Mitrakos et al. (2010) found program selection as a main determinant of graduate unemployed among male and female young graduate in the data ranges from 2004 to 2007. This study shows that who graduated from Law school or IT face no real unemployment problem whereas graduates from School of Physical Sciences, Mathematics and Statistics have a high risk of unemployment and the probability of unemployment with female graduates is high compared with men with similar educational qualification.

A field experiment done by Baert et al. (2019) tried to establish a relationship between student internships and employment opportunities and they found that students with internships have more chances to be invited for a job interview than students without such experience. Similarly, a study having 1.3 million internship posting collected between 2007-2016 in USA indicates that internship education helps to meet the employer expectation, so that, they have more chance to be employed (Shandra, 2020).

Research Gap

According to the literature on the factors influencing youth unemployment, youth graduate unemployment is influenced by both microeconomic and macroeconomic factors such as family size, lack of resources, insufficient employment opportunities, unmatchable education, and so on, and may lead to drug addiction, robbery, prostitution, and other problems in society. This study includes some new factors that contribute to graduate youth unemployment, such as age, gender, student internships, family background, and a new research area. As per the available literature on the unemployment driving factors among graduate youths in Nepal, there is a knowledge gap because there has been no systematic study of the unemployment

driving factors among youth graduates in Biratnagar metropolitan city, Nepal. Therefore, this study aims to fill the knowledge gap by examining the driving factors of youth unemployment.

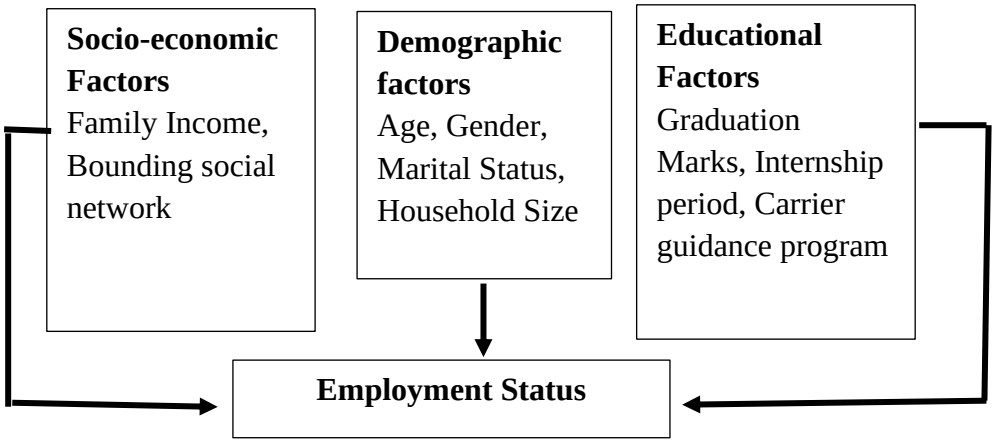
Conceptual Framework

The conceptual framework was organized as per the researchers' understanding of how the particular variables were connected in the study. The socio-economic factors are: family income, bonding social networks, Demographic factors: age, gender, marital status, household size, and educational factors: graduation marks and internships are considered independent variables, whereas graduate youth unemployment is a dependent variable to find the unemployment driving factors among graduate youths.

Unemployment is a serious issue in any economy, whether they are developed or developing countries. Among them, graduate youths are suffering from the problem of unemployment, which creates social, political, and economic problems in society. Various studies on this topic have revealed the microeconomic and macroeconomic determinants of unemployment, where the microeconomic determinant includes the number of family members, family income, assets, education, marital status, and so on, whereas the macroeconomic determinant includes the gross domestic product, foreign trade, industrialization, and so on. The study seeks to examine the microeconomic determinants of youth unemployment. On the basis of reviewing various literatures on youth unemployment, it has conceptualized the relationship between youth graduate unemployment and factors affecting it as follows:

Figure 2

Conceptual framework for unemployment driving factors of graduate youths



Source: Modified from Abdallah (2018).

CHAPTER III

RESEARCH METHODOLOGY

This chapter presents a comprehensive overview of the methodology, including the philosophical stances, research design, research area, population and sample, sampling techniques, tools of data collection, data analysis, descriptions of controlled variables, validity and reliability, a pilot study, and ethical considerations.

Philosophical Stances

This section includes the ontology, epistemology, axiology, methodology, methods, and rhetoric of the study. It is believed that youth unemployment and its driving factors are stable and the extent of personal characteristics on graduate youth unemployment is objective to some extent. For this reason, post-positivism was taken into account as a philosophical paradigm.

Ontology

Ontology helps researchers recognize how certain they can be about the nature and existence of objects they are researching. The unemployment driving factors discussed in this study are human constructs. The researchers make the assumption that, to a certain extent, the status and relationship between the unemployment driving factors and the graduate youth unemployment are real, stable and objective. It is assumed that unemployment driving factors among graduate youths are relatively stable and unchangeable which carries objective reality to a certain extent.

Epistemology

This study assumed that the social reality is measurable and knowable but cannot exist at exactly to the cent percent (Morris, 2006). With the help of data, evidence and rational considerations, the knowledge about unemployment driving factors is shaped.

Axiology

Survey method is used to collect data and the result is interpreted on the basis of data obtained from the provided questionnaire therefore, the research is assumed value free. The researcher did not believe that subjectivity among researchers had any importance. In a similar vein, the research methods were unrestricted from the researcher's point of view and centered on the importance of the responder. The researcher's position had no impact on the data.

Research Methods

The tactics, procedures, or techniques used in gathering data or evidence for analysis in order to unearth new knowledge or develop a better grasp of a topic are known as research methods (Williams, 2007). In this scenario, this research was conducted using the quantitative survey method and the deductive approach under the post-positivist philosophy. The self-constructed questionnaire was used to identify the unemployment driving factors among graduate youths.

Generally, in academic or professional settings, a formal writing style is common. This voice emphasizes being detailed and direct while still being respectful. Thus, a formal and succinct tone was used in this study.

Research Design

Research design is connected to a philosophical worldview and the specific methods or procedures of research that explain the approach in practice (Creswell, 2014). In this research, the main purpose of this research is to explore the unemployment-driving factors of graduate youths. To this extent, this research adopted a quantitative research design. This is so because this research sought to establish the relationships between the dependent and independent variables of unemployment and predict the outcomes. In this way, different quantitative tools and

techniques are employed for the collection, measurement, and analysis of data. The questionnaire is used to collect the required information from graduate youths.

Research Area

The study was conducted in Biratnagar, the capital city of Province one located in Morang district, bordering Jogwani (India) to the south, Katahari to the east, Tankisinuwari to the north, and Ramganj Belgachhiya to the west. The city has a total area of 77.5 km^2, and its coordinates are 26°28'60"N, 87°16'60"E. It is situated in Nepal's easternmost Terai region's Morang District (in the former Koshi Zone). It is located 6 km north of the Jogbani border with the Indian state of Bihar and 399 km east of Kathmandu, the nation's capital.

Biratnagar is selected as the research area in this study because it is the sixth most populous city of Nepal after Kathmandu, Pokhara, Bharatpur, Lalitpur, and Birgunj, with 244,750 inhabitants living in 45,204 households as per the 2021 Nepal census (CBS, 2021). It is the most densely populated city among all cities outside of the Kathmandu Valley. Biratnagar is popularly known as the “industrial capital” of Nepal and is home to Biratnagar Jute Mills, the first large-scale industry in Nepal. The region is also locally known as the economic center of eastern Nepal. Similarly, there are more than 80 schools, over 20 colleges, and 21 hospitals in Biratnagar. Despite having a higher level of employment potential, graduates continue to face unemployment in this city, which is most convenient for the researcher to conduct this research**.**

Population and Sample

Population

The targeted population consists all male and female (35 years or less) who finished their graduation at least Bachelor or Master degree during between 2011 and

2020 AD from different colleges of Biratnagar. Information on graduates was obtained from the publication of the Education Management Information System of University Grants Commission. According to the UGC report, the total number of graduates from different colleges in Biratnagar from 2011 to 2020 was 28,064. This information includes name of colleges, their enrollments and pass percentages of respective years. This study was only focused on graduates from Humanities, Management, Education, and Science programs. After deducting graduates from other programs, the population was reduced to 21080.

Sample Size

The appropriate number of samples is calculated on the basis of a mathematically derived relation, and in this research, a sample size of 384 was used because a sample greater than 30 is deemed sufficient for normal distribution (Kwak & Kim, 2017). And this sample size is large enough statistically. For this purpose, the following formula derived by Cochran (1977) is adopted to determine the size of the sample:

$$n = \frac{N\{\frac{z^2 \times p(1-p)}{e^2}\}}{(N-1) + \{\frac{z^2 \times p(1-p)}{e^2}\}}$$

where, N = population size, n = sample size, z^2 = selected critical value of desired level of confidence or risk, e = desired level of precision or margin error (Cochran, 1977).

The following values were used for estimating the sample size; z^2 - 95% confidence level [The value of (1-α) in Standard Normal Distribution ***z***-table, which is 1.96 for 95%], p = 50% variability of the population and e = 5% margin of error.

Substituting these values in above relation,

$$n = \frac{21080\ \{\frac{(1.96)^2 \times 0.5(1-0.5)}{(0.05)^2}\}}{(21080-1) + \{\frac{(1.96)^2 \times 0.5(1-0.5)}{(0.05)^2}\}} = 377.30 \approx 377$$

Therefore, 377 was the minimum sample size needed for the investigation. However, 384 respondents gave their responses, hence 384 graduates were included in the sample for this study. The status of the sampling used in this research is shown in Table 2.

Table 2

Status of Sampling

Wards	Total Graduates	Minimum required sample size
1	1171	21
2	974	17
3	1571	28
4	1507	27
5	1461	26
6	1743	31
7	819	15
8	1363	24
9	711	13
10	1207	22
11	1256	22
12	1541	28
13	658	12
14	1071	19
15	1229	22
16	642	11
17	824	15
18	776	14
19	554	10
Total	21080	377

Sampling Techniques

A probability sampling technique was applied to select the sample from the population. Among various methods of probability technique, the proportionate stratified random sampling method is deemed suitable because this research targets graduates who are 35 years old or less and completed their degree qualification between 2011 and 2020 in Biratnagar metropolitan city, which has 19 wards. Stratified random sampling refers to the method of sampling that involves the division of a population into strata based on members' shared characteristics (Sharma, 2017). In the process of sampling, the administrative wards of Biratnagar were treated as strata, and 30 questionnaires were sent for each stratum. The proportionate approach was used to declare the sample size from each stratum. Due to this, it becomes less costly and less time-consuming than other techniques of sampling. To avoid the bias of this technique, data was collected from the records of different colleges, and graduates were selected randomly.

Tools of Data Collection

To conduct research on graduate youth unemployment, the E-mailed questionnaire method is applied. Under this method, a list of questions pertaining to the survey was prepared and sent to the various informants through E-mail. The ideas of the questionnaire were adapted from Mncayi (2016) and Abdallah (2018) because they are likely to meet the purpose of this research. In preparing research questionnaires, unnecessary questions, question-wording to collect personal information, use of unfamiliar terms and jargon, etc. were avoided. Further, before the distribution of a research questionnaire, at least two pre-tests were conducted.

Data Analysis

In this research, descriptive statistics are used to analyze the collected information by using different tables, charts, and diagrams. Here, the probit regression model is used to identify the unemployment driving factors. So, the significance test is applied in the analysis of regression. Similarly, cross tabulation and correlation are also used to show the relationship between the dependent and independent variables of youth unemployment.

To illustrate the relationship between dependent and independent variables, the probit model was used. The dependent variable in this scenario is dichotomous (binary), and it can be represented by a variable that takes the value 1 with probability π and the value 0 with probability 1 -π.

The main aim of this paper is to examine the unemployment driving factors among graduate youth in the Biratnagar metropolitan city using a probit regression model. The study adopts the model specification from Abdallah (2018) to determine the determinants of unemployment. On the basis of literature, the model can be specified as follows:

$U_i = \alpha + \beta_o + \beta_1 X_1 + \beta_2 X_2 + \ \ldots\ldots + \beta_k X_k + \ \varepsilon$, where, ($\beta_0$, β_1, β_2,… , β_k) are the model parameters and (X_1, X_2,… , X_k) are explanatory variables. The above equation gives suitable representations of the success probability, odds, and log-odds.

Empirical Model for Unemployment and its Driving Factors

The above-mentioned econometric model is simplified to estimate the relationship of variables as below:

$$Prob\left(U_i = \frac{1}{X_i}\right) = Prob(U_i = 1/\text{AGE, GD, MS, HS, JSI, HMI, SI, BSN, GM})$$

$$= \Phi(\beta_0 + \beta_1 AGE + \beta_2 GD + \beta_3 MS + \beta_4 HS + \beta_5 JSI + \beta_6 HMI + \beta_7 SI + \beta_8 BSN + \beta_9 GM + \varepsilon_i)$$, where, U = graduate youth employment status, β_0 = constant term, AGE

= age of graduate, GD = gender, MS = marital status, HS = household size, JSE = job search intensity, HMI = household monthly income, SI = student internships, BSN = bonding social networks, GM = graduation marks and ε = error term and which is assumed as normally distributed with a mean of zero.

Dependent Variable

The graduate youth unemployment stands for dependent variables which is influenced by different independent variables. ILO (1997) defines "youth unemployment" as people between the ages of 15 and 25 who have not worked for more than one hour during the brief reference period but are both able to work and looking for employment (O'Higgins, 1997). But the definition of youth varies according to the geographical, cultural, and political variation of nations. In this study, the dependent variable is a dummy defined to have two outcomes: graduate youth is unemployed =1 and graduate youth is employed = 0.

Independent Variables

Age

In this study, AGE stands for the age of graduate youth. The probability of being unemployed is expected to decline as age increases. An empirical study (Abdallah, 2018) suggests that there is an inverse relationship between age of youth and unemployment, i.e., recently graduated youths have a lower chance than others to be employed. Similarly, a research conducted in Tanzania (Philbert, 2016) revealed that probability to be employed is more according to the age of the youth. According to Little (2001), the market decision of university graduates purely depends on the socioeconomic factor like age of the youth graduates.

Gender

An individual's gender can be a determinant of youth unemployment. Studies show that female have fewer employment opportunities than male. Tangtipongkul and Wangmo (2017) found that an individual's gender was a significant determinant of unemployment. However, some studies like Abdallah (2018) indicate that labour force participation is higher for women than men. As a result, there are no specific expectations regarding the gender of unemployed graduate youth. In this study, a male dummy was employed to show the gender, i.e., male = 1 and female = 0.

Marital Status

MS stands for marital status for graduate youth. Married graduates are expected to have a lower unemployment rate because they have more responsibilities to work for the survival of their families. A study done by Msigwa and Kipesha (2013) reveals that marital status is a significant determinant of youth unemployment. They found single and married youth were more unemployed as compared to widowed, separated, or divorced youth. Wangmo (2016) discovered in Bhutan that a single person has a higher chance of remaining unemployed than married or divorced people. In this study, a married dummy was used to represent marital status, with married = 1 and unmarried = 0.

Household Size

The household size is denoted by HS for the convenience of analysis. It is expected that an increase in the size of households increases the probability of being unemployed. This fact is consistent with the research conducted by Kingdon and Knight (2004) and Wangmo (2016). These studies demonstrate that households with a larger number of members face greater challenges in terms of employment and financial stability. This is due to the increased economic burden of supporting a larger

family, which can limit a household's ability to maintain financial stability and secure employment.

Student Internships

It is expected that those who have better experience with internships in different institutions will have more employment opportunities than those who have no experience. A field experiment done by Baert et al. (2019) sought to understand the relationship between student internships and employment opportunities, and they found that students with internship experience have more chances of being invited to a job interview than those without experience. Similarly, a study of 1.3 million internship postings collected between 2007 and 2016 in the USA indicates that internship education helps meet employer expectations so that they have a better chance of being employed (Shandra, 2020).

Family Income

The wealth of a household can be measured in terms of the monthly income of the family. Among the different types of income, only monetary income was taken into consideration in this research. Different researchers find different characteristics of family income when determining the rate of youth unemployment. The study done by Mazzotta (2010) revealed that young individuals from underprivileged social origins had more trouble getting employment than their more affluent friends. Depending on whether the household is rich or poor, it would give both a positive and a negative sign.

Bonding Social Network

It can be measured by the number of close relatives or friends who could help a graduate gain or create employment. According to Granovetter (1995), most jobs are found through social networking or contracting rather than direct application,

employment agencies, or job advertisements. A study held in universities in Ghana by Abdallah (2018) found a significant role for social network bonding in obtaining employment for graduates. So, it is expected that the lower the social network, the higher will be the chances of unemployment.

Job Search Intensity

Another factor that contributes to youth unemployment is the job search intensity. It can be measured by the number of job applications filled out by graduate students. It is expected that the lower the number of job applications, the higher will be chances of unemployment, and vice-versa. A study held in universities in Ghana (Abdallah, 2018) found a significant role for job search intensity in obtaining employment for graduates. In other words, the more job applications a graduate submits, the higher their chances of securing a job. This highlights the need for new graduates to be proactive in their job search and apply to as many relevant positions as possible.

Graduation Marks

Individual graduation marks can also explain the status of unemployment. In many studies, those students were found unemployed because they had lower graduation marks than students with higher graduation marks. A study by Chiandotto and Bacci (2007) found that students with higher graduation marks have a greater chance of both finding employment and securing a job that aligns with their skill set and career goals. The results of this study suggest that those with higher grades are better equipped to navigate the job market and are more attractive to potential employers. These findings emphasize the importance of academic performance in the job market and suggest that students should strive to achieve high grades in order to increase their chances of finding meaningful employment after graduation.

Table 3

Measurement and Expected a Priori Signs of the Variables

Variables	Measurements	Expected Signs
Unemployment	Unemployed = 1 : Employed = 0	-
Age	Age in logs	-
Gender	Male = 1 : Female = 0	+/-
Marital status	Married = 1 : Unmarried = 0	+/-
Household size	Number of family members	+
Internship	Yes = 1 : No = 0	_
Job search intensity	Number of job applications	-
Family income	Log monthly income of the family	+/-
Bonding social network	Number of friends and relatives	-
Graduation marks	Log graduation marks percentage	_

Source: Author's own construction (2022)

Table 3 displays the variables' measurements and expected a priori signs. It is expected that unemployment has a negative relationship with the driving factors of graduate youth unemployment, which is measured by using the dummy variable 1 for the unemployed and 0 for the employed. Similarly, age (measured by logs), internship status (1 for yes and 0 for no), job search intensity (number of job applications), bonding social network (number of friends and relatives), and graduation marks (log graduation marks percentage) are expected to have a negative relationship with the graduate youth unemployment. But the size of the household has an expected positive relationship with unemployment. However, there are no clear expected signs of graduate youth unemployment in the cases of gender (male = 1 and female = 0), marital status (married = 1 and unmarried = 0), and family income (log monthly income of the family).

Description of Controlled Variables

Identifying the unemployment driving factors among graduate youth has become very tough. In this analysis, to identifying the unemployment driving factors, a probit regression analysis has been used. Generally, this model is applied when the dependent variable is a dichotomous dummy variable. In this research, employment status was measured by applying a dichotomous dummy variable with the value of '1' for unemployed and '0' for employed. Table 3 shows the description of independent variables:

Table 4

Description of Variables

Variables	Abbreviations	Description
Age	AGE	Log of years of age
Gender	GD	Dummy variable: 1= Male 0 =Female
Marital status	MS	Dummy variable: 1= Married 0 = Unmarried
Household size	HS	The number of family members of graduate.
Student internship	SI	The number of months which graduates spend in internship
Bounding social network	BSN	Number of close friends and family members used to gain employment
Job search intensity	JSE	The number of job applications applied by youth graduates
Graduation marks	GM	Log of marks obtained in graduation
Household monthly income	HMI	Log of monthly income earned by family of graduates
Employment status	U	Dummy variable : 1 = Unemployed 0 = Employed

Table 4 shows the descriptions of the given dependent and independent variables. The age variable has been described by the log age of graduate youth. In

this research, dummy variables were used to describe the gender, marital status, and employment status of graduate youth. In the case of gender, the dummy variable 1 is used for male graduates, and the dummy variable 0 is used for female graduates. Similarly, in marital status, 1 stands for married and 0 for unmarried, and in employment status, 1 represents unemployment and 0 for employment. Similarly, household size has been described by the number of graduate youth family members, student internships by the number of months spent in internship, a bounding social network by the number of close friends and family members used to gain employment, job search intensity by the number of job applications applied by youth graduates, graduation marks by the log of marks obtained in graduation, and finally, family income has been measured by the log of marks obtained in graduation.

Validity and Reliability

In quantitative research, validity refers to how well a concept may be quantified, whereas reliability has to do with how stable a measure is (Heale & Twycross, 2015). A pilot test was used in this study to determine which questions are ambiguous and difficult for respondents to understand before the questionnaires were distributed. A pilot test was conducted with 10 percent of total estimated sample size and questionnaire was redesigned according to the suggestions to meet the objective of the study. The data was analyzed using different statistical software like SPSS, Excel, etc.

Pilot Study

A pilot test was conducted to test the reliability and validity of the instruments used in the data collection (Mallette, 2014). The pilot test sample consisted of 59 participants (around 15 percent of the total sample size); among them the employed and unemployed participants were 30 and 29, respectively. The size of 59 pilot

samples is appropriate to identify the problem (with a 95% confidence level) if one exists with a 5% probability in a potential study participant (Viechtbauer et al., 2015). In order to ensure that all participants had sufficient time to complete the survey and make thoughtful responses, we allowed them several days to do so. No one from the pilot sample took part in the actual survey. Therefore, we did not include their information in our final analysis. But it can aid in estimating the research questionnaire's validity and reliability and in enhancing the administrative processes involved in carrying out the research. It was helpful to get feedback on the survey's design and content during the pilot phase. The academic review of the survey also helped to ensure its high quality. After evaluating the instrument, it was determined that it had sufficient content and face validity.

Ethical Consideration

It is a very important part of this research work that ensures the secrecy and other aspects of the respondent. In the context of data collection, all the rights, needs, values, and desires of informants were considered and respected. This research did not violate the self-respect of respondents. To minimize the ethical issues, permission to collect data from the respondents was taken. If any respondent avoided answering the question, they were not forcefully dominated to get information.

The ethical and legal standards of the study were strictly followed. The informants' right to know the nature and purpose of the study was highly respected by informing them of the purpose of the study at the beginning. Moreover, their privacy was maintained by coding their names, opinions, and views in the study report.

CHAPTER IV

DATA ANALYSIS AND PRESENTATION

The previous chapter discussed the research methodology, which explained the research design and technique of data collection. On the basis of that methodology, the entire process of data analysis that is how the data was collected, interpreted, processed, and analyzed was conducted to answer the research question in this chapter. Initially, the frequency and percentage distribution of different profiles of surveyed graduates were presented in tables, bar diagrams, and pie charts. Then, the cross-tabulation was conducted to show the linear relationship between controlled variables and unemployment. The variation inflation factor and correlation matrix were analyzed to test the multicollinearity of variables. And finally, probit regression was derived and interpreted in relation to the key objectives, which was to investigate unemployment-driving factors among graduate youth in Biratnagar metropolitan city. Data were analyzed using the statistical software- SPSS and STATA.

Questionnaires Setting and Profiles of Surveyed Graduates

The survey instrument included the demographic, educational, employment status, family background, job search, and social network profiles of respondents in order to collect the information, which is defined as the unemployment-driving factors among graduate youth. The first section of the questionnaire included 10 questions related to the demographic profile, such as age, gender, ethnicity, marital status, children, number of children, household size, and parents. The second section of the questionnaire included six questions related to the educational profile of graduate youth, such as university, college type, program, division, graduation marks, and internship. The employment status profile of youth included 13 questions, and the

family background profile, job search intensity, and social network profile consisted of 3 and 5 questions, respectively.

Table 5

Demographic Profile

Variables	Categories	Frequencies	Percentage (%)
Gender	Female	178	46.4
	Male	206	53.6
Age[a]	21-25	203	52.9
	26-30	110	28.6
	31-35	71	18.5
Ethnicity	Kshetri	93	24.2
	Brahmin	193	50.3
	Magar	8	2.1
	Tharu	22	5.7
	Newar	14	3.6
	Tamang	6	1.6
	Kami	4	1.0
	Rai	30	7.8
	Muslims	2	0.5
	Limbu	5	1.3
	Gurung	5	1.3
	Others	2	0.5
Marital status	Unmarried	232	60.4
	Married	152	39.6
Children	Yes	118	80.8
	No	28	19.2
No of children[b]	0	29	20.0
	1	87	60.0
	2	27	18.6
	3	2	1.4
Household size[c]	0-3	28	7.3
	4-7	319	83.1
	8-11	36	9.4
	12 and above	1	0.3
Parents	Both parents	270	70.3
	Father only	9	2.3
	Mother only	18	4.7
	Relative/ guardian	30	7.8
	I live by myself / I have my own family	57	14.8

[a] Age: Mean=26.74 years, Standard deviation =4.11

[b] Number of children: Mean=1.01, Standard deviation = 0.667

[c] Household Size: Mean=5.40, Standard deviation=1.573

The demographic profile of respondents was taken into account to determine the characteristics of graduates. The Table 5 shows that most of the graduates were male covering 53.65 percent and the rest 46.35 percent female graduates. This is somewhat consistent with the national figure, 2017; about 67.00 percent of males were passed graduate and equivalent program with only 33 percent female (CBS,2011). In this research study, the age of respondents was measured continuously. Table 4 shows the descriptive statistics on the age distribution and reveals that the mean age of the surveyed graduates is about 26.74 years, whereas the Nepalese average age is 21.6 years (CBS, 2011) and world average age reached around 24 years (World Factbook, 2017). In this study, the youngest respondent was 21 years old while the oldest was 35 years. In this study, around 53 percent sample was lie in the age category of 21-25. The figure revealed that most of the graduates are from the Brahmin and Chhetri communities. Around 74.5 percent of respondents were from the Brahmin and Chhetri communities. With 7.8 percent, Rai was listed in third place, followed by Tharu and Newar at 5.7 percent and 3.6 percent, respectively. According to the study, the majority of respondents were unmarried (60.4%), with 39.6 percent being married graduates. This indicates that most of the students want to marry after completing their bachelor degree and getting employment opportunities. Maharjan et al. (2020) also revealed the difference between married and unmarried graduates, in which around 78 percent of MBA graduates were unmarried and 22 percent were married. Out of 152 married respondents, 80.8 percent had children, and most of the parents had a child (60%). The average number of family members was 5.40, and around 70 percent of graduates lived with both parents.

Table 6

Educational Profile of Graduate Youths

Variables	Category	Frequency*	Percentage
University	Tribhuvan University	345	89.8
	Purwanchal University	38	9.9
	Others	1	0.3
College type	Private	91	23.7
	Government	141	36.7
	Public	152	39.6
Program	Science	40	10.4
	Management	177	46.1
	Humanities/ Social Sciences	66	17.2
	Education	101	26.3
Division	First	98	25.5
	Second	195	50.8
	Third	91	23.7
Internship	No	254	66.1
	Yes	130	33.9

Note: N = 384*

About 90 percent of youth respondents completed their graduation degree from Tribhuvan University, and only 10 percent passed from Purwanchal University and others. It indicates that most of the colleges were affiliated by Tribhuvan University in the research area. The national data also shows that about 79 percent of students enroll in different programs at Tribhuvan University every year (Dilas et al., 2018). A large number of the respondents passed their graduation degree from community colleges (39.6%) followed by government colleges with 36.7 percent and 23.7 by private colleges. Management was the dominant program in the sample (46.1%) followed by Education (26.3%), Humanities and Social Science (17.2 %) and

with the remaining constituted Science as presented in Table 6. The majority of respondents completed their graduation degree with a second division (50.8%), followed by a first division (25.5%), and a third division (23.7%). The majority of students had no experience with student internship services provided by their respected colleges (66.1%), and only 33.9 percent of respondents had benefited from the student internship programs.

Table 7 (a)

Employment Profile of Graduate Youths

Variables	Category	Frequency*	Percentage
Employment status	Employed	157	40.9
	Unemployed	227	59.1
Employed sector	Private sector	83	52.9
	Government sector	59	37.6
	Semi-government sector	10	6.4
	Self-employed	5	3.2
Monthly salary	Less than 10000	5	3.2
	11000-20000	48	30.6
	21000-30000	29	18.5
	31000-40000	63	40.1
	41000 and above	12	7.6
Factors influencing employment	Grades	18	11.4
	Course/programme	9	5.7
	Contacts (who you know)	22	13.9
	Added value (additional certificates or training)	45	28.5
	Practical skills	26	16.5
	Previous work experience	28	17.7
	Personality	9	5.7
	Luck	1	0.6
	Gender	0	.0

Table 7 (b)

Employment Profile of Graduate Youths

Variables	Category	Frequency*	Percentage
Job satisfaction	Strongly dissatisfied	7	4.5
	Dissatisfied	12	7.7
	Neutral	32	20.5
	Satisfied	53	34.0
	Strongly satisfied	52	33.3
Job seeking	Yes	207	92.0
	No	18	8.0
Job seeking time	Less than 3 months	9	4.3
	4 to 7 months	9	4.3
	8 to 11 months	7	3.4
	12 to 15 months	78	37.5
	16 months and above	105	50.5
Job preference	Manual job	10	4.6
	Clerical job	6	2.8
	Technical job	8	3.7
	Administrative job	107	49.3
	Managerial job	60	27.6
	Teaching	26	12.0
	Other	0	.0
Reasons for not getting job	No skills for the job	11	5.3
	No social networks to get job	33	15.9
	No required experience	87	41.8
	No job availability	77	37.0
Causes of not seeking job	Try for further education	9	50.0
	Tired of looking for a job	5	27.8
	Not interested for job	2	11.1
	Looking job in abroad	2	11.1

Note: Total sample size =384*

As shown in Table 7 (a) and 7 (b), 59.1 percent of graduates from different colleges were unemployed, while 40.9 percent were employed. These results are contrary to the study by the International Labour Organization on Nepalese youth aged 15–29, which revealed the youth unemployment rate among university graduates is 26.1 percent (Thebe-Limbu, 2016). Nevertheless, most research on the topic indicates that graduate unemployment is a significant issue among Nepalese youth. These findings highlight the need for further research to understand the underlying causes of high graduate unemployment in Nepal and to develop effective strategies to address this challenge. The above Table 7 (a) revealed that 52.9 percent of employed graduates were engaged in the private sector followed by the government sector (37.6 %), semi-government sector (6.4 %), and only 3.2 percent involved in self-employed. According to the study, the average salary of employed graduates was Rs. 29,692, with 40.1 percent earning between Rs. 31,000 and Rs. 400,00, followed by Rs. 21,000 to Rs. 30,000. The average salary of the sample is greater than the national average income of graduates; this is due to the higher involvement of government salary holders (37.6%). About 28.5 percent of employed graduates treated “added value” (an additional certificate of training) as the most significant determinant of employment, while 17.7 percent focused on previous work experience. Similarly, majorities of employed graduates were satisfied with their jobs (34%), and only 4.5 percent were strongly dissatisfied with their jobs. A huge proportion of unemployed respondents were searching for job opportunities; only 8% were not actively searching for jobs. About 50.5 percent of graduates were searching for employment opportunities at 16 months and above, followed by 37.5 percent at 12 to 15 months. The majority of unemployed graduates (41.8%) attributed their unemployment to a lack of required experience and 37 percent to a lack of marketable jobs. Similarly, 15.9 percent

thought a lack of social networks was the main cause of their unemployment, and the rest, 5.3 percent, lacked the requisite skills.

Table 8

Family Background Profile

Variables	Category	Frequency	Percentage
Occupation	Agriculture	241	62.8
	Business	39	10.2
	Service Sectors	87	22.7
	Foreign Employment	16	4.2
	Others	1	0.3
Monthly family income [a]	Less than 24000	141	36.8
	25000-49000	137	35.8
	50000 and above	105	27.4
Family Assets	200 and above	31	8.1
	150-199	8	2.1
	100-149	29	7.6
	50-99	69	18.0
	25-49	73	19.0
	Less than 24	174	45.3

Note: [a] Monthly family income, Mean =40.78, Standard deviation= 417.79

According to Table 8, agriculture (62.8%) was the most common occupation for respondents' families, followed by the service sector (22.7%), business (10.2%), foreign employment (4.2%), and others. Less than 24,000 accounts for 36.8 percent of household monthly income, followed by 25 to 49 thousand (35.8%), and above 50 thousand (27.4%). The average family income was 40.78 thousand per month. According to the survey, the majority of respondents (45.3 %) had assets worth less than 24 lakhs; 19 percent had assets worth 25 to 49 lakhs; and 18 percent had assets worth 50 to 99 lakhs. Similarly, 8.1 percent, 7.6 percent, and 2.1 percent of

respondents had assets worth 200 lakhs and above; 100 to 149 lakhs; and 150 to 199 lakhs, respectively.

Table 9

Job Search Intensity and Social Networks Profile

Variables	Category	Frequency	Percentage
Job search intensity	Strongly disagree	9	2.3
	Disagree	41	10.7
	Neutral	67	17.4
	Agree	159	41.4
	Strongly agree	108	28.1
Job application	Yes	260	67.7
	No	124	32.3
Numbers of job applications	Less than 9	324	84.4
	10-19	57	14.8
	20-29	2	0.5
	30 and above	1	0.3
Social network	Strongly disagree	44	11.5
	Disagree	32	8.6
	Neutral	50	13.1
	Agree	104	27.2
	Strongly agree	153	39.9
Size of friends	Less than 24	302	78.6
	25 to 49	33	8.6
	50 to 74	27	7.0
	75 and more	22	5.7

Table 9 shows the job search intensity and social network profile of the respondents. According to the study, 67.7 percent of graduates had applied for a job at least once, and 32.3 percent had not applied for a job yet. This data indicates that the majority of graduates want to work at the market wage rate. Similarly, 41.4 percent of respondents agreed that job search intensity is a determinant of employment, whereas

only 9 percent strongly disagreed about it. 84.4 percent of respondents had applied for jobs fewer than nine times. In the case of the social networks, 39.9 percent of graduates had a strong belief in the social networks as a determining factor of employment, and only 11.5 percent strongly disagreed about it. The number of friends and families who could help them find employment opportunities was not so large for 78.6 percent of graduates; only 5.7 percent had a size of 75 or more.

Figure 3

Percentage of Unemployed Graduates by Programme

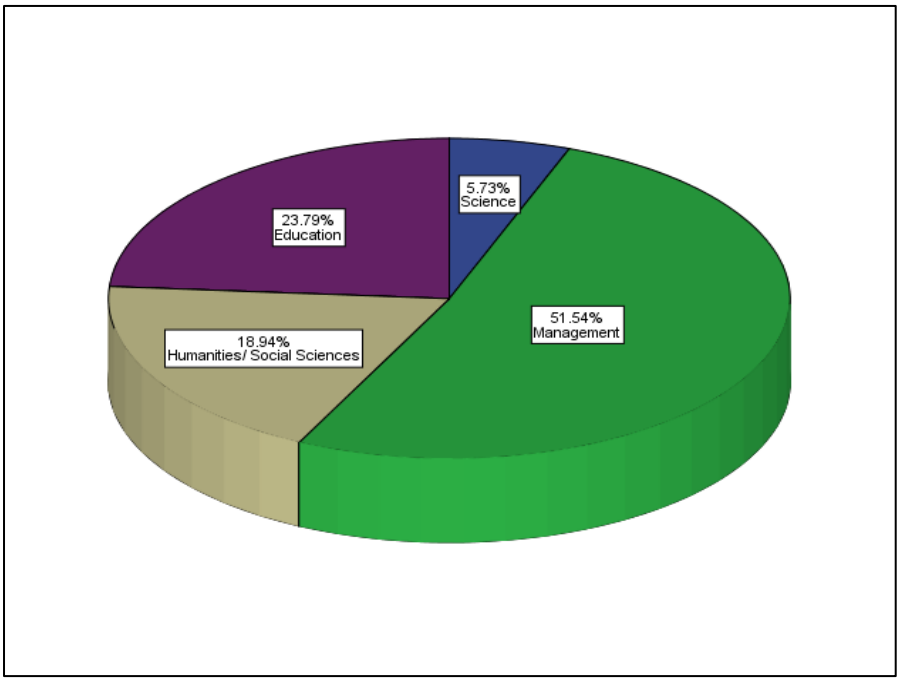


Figure 3 illustrates the distribution of unemployed graduates according to the program. The majority (51.54%) of unemployed graduates were graduates from the management program. This reflects the latest trend in program selection in Nepal. According to the study by UGC (2018), around 44 percent of students were enrolled only in management programs in 1974–75. Only 5.73 percent of science graduates were unemployed at the time of the survey, compared to 23.79 percent and 18.94 percent for education, humanities, and social science, respectively.

Figure 4

Percentage of Unemployed Graduates by Age and Marital Status

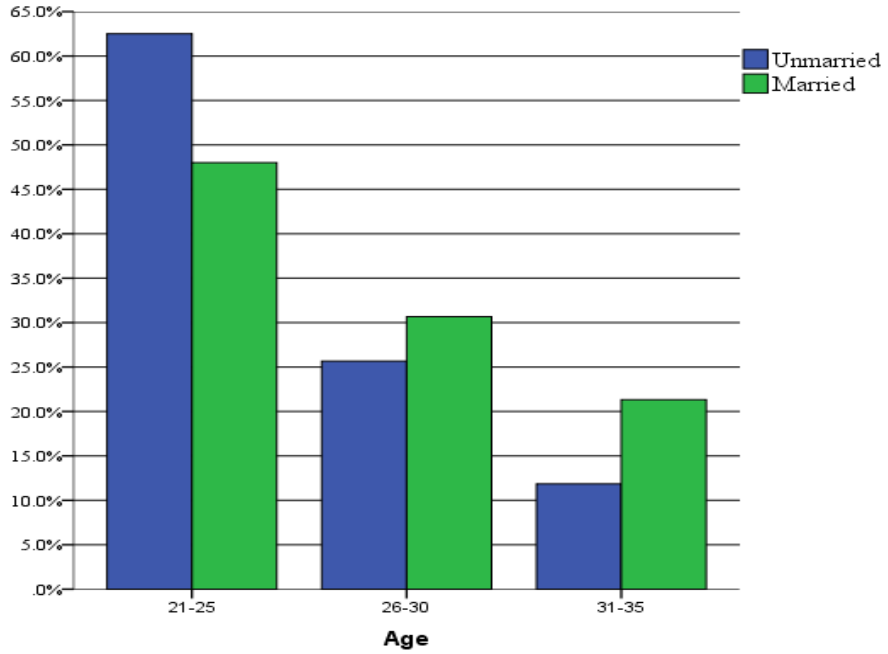


Table 10

Percentage of Unemployed Graduates by Gender and Ethnicity

		Gender of respondents	
		Female (%)	Male (%)
Ethnicity	Chhetri	27.3	20.0
	Brahmin	41.7	58.9
	Magar	2.3	2.1
	Tharu	3.0	6.3
	Newar	5.3	1.1
	Tamang	3.0	1.1
	Kami	0.8	0.0
	Rai	10.6	5.3
	Muslims	0.0	1.1
	Limbu	2.3	2.1
	Gurung	3.0	1.1
	Others	0.8	1.1

Figure 4 illustrates the issue of unemployment among the age group of 21 to 25 for both males and females, who are considered as youth. The same problem extends to the age group of 26 to 30. The data indicates that youth are more susceptible to unemployment compared to older individuals. This is consistent with the job search theory, which suggests that youth are more active in their job search compared to older individuals, as they have more time to spend on finding employment.

According to Table 10, the majority of Brahmin males and females were unemployed at the time of the survey, about 59 percent of male Brahmins and 42 percent of female Brahmins were unemployed. Similarly, 20 and 27.3 percent of males and females from the Chhetri ethnicity group were unemployed, respectively. This reflects that the Chhetri and Brahmin ethnicity groups had a higher enrollment rate in university degrees than the rest of the ethnicity groups.

Figure 5

Percentage of Unemployed Graduates by Internship Experience

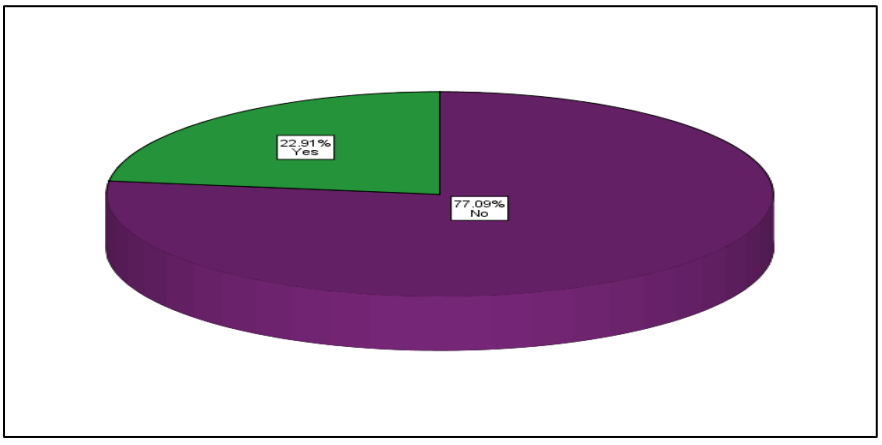


Figure 5 illustrates the percentage of unemployed graduates by the type of internship experience provided by respective colleges. About 77 percent of unemployed graduates had never taken an internship in college, and only 23 percent

benefited from these services. The majority of colleges, it can be concluded, do not have such a facility to provide internship experience services.

Figure 6

Percentage of Unemployed Graduates by Internship Period

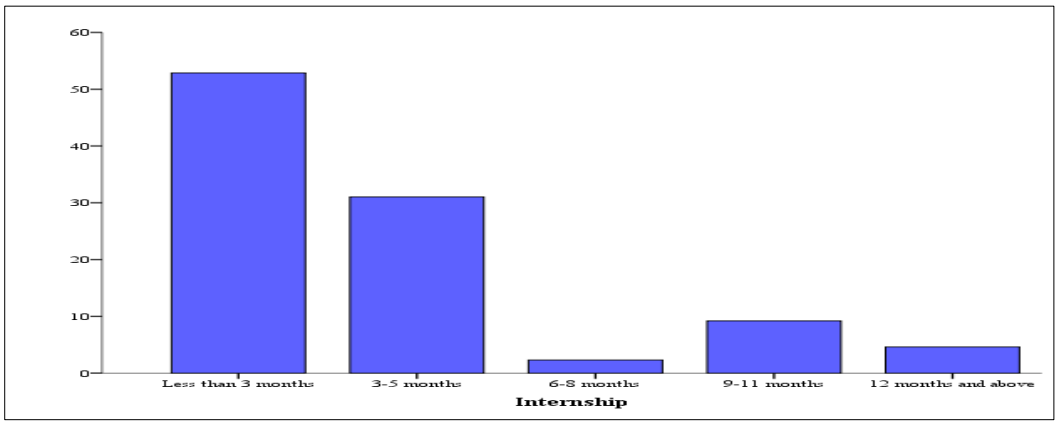
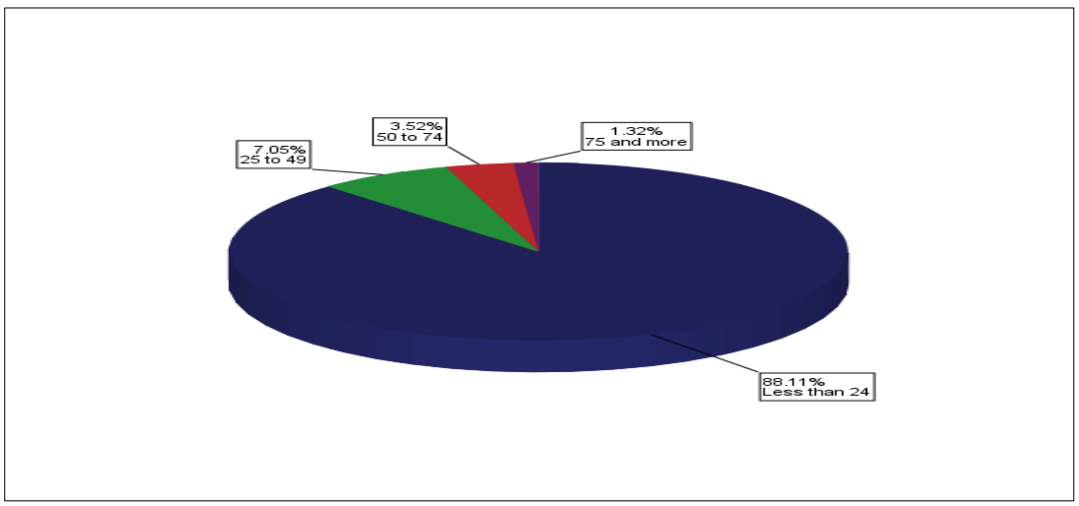


Figure 6 shows that most of the unemployed graduates had less than 3 months of internship experience (52.9%). Similarly, 31 percent, 2.3 percent, 9.2 percent, and 4.6 percent of unemployed graduates had internship periods of 3-5 months, 6-8 months, 9-11 months, and 12 months and above, respectively. It can be concluded that the majority of unemployed graduates have less internship experience, which may be the cause of unemployment.

Figure 7

Percentage of Unemployed Graduates by Numbers of Friends and Families



On the basis of Figure 7, it can be noticed that the majority of unemployed graduates had a small size of friends and relatives who could help them search for job opportunities. More than 88 percent of the graduates have friends and relatives who are less than 24. The data reveals that only 1.32 percent had the size of 75 and more friends and families. This can reflect the fact that more friends and family are needed to search for employment opportunities in the research area.

Table 11

Percentage Share of Unemployed Graduates by Duration of Job Search

	Categories	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 3 months	8	3.5	3.9	3.9
	4 to 7 months	9	4.0	4.4	8.3
	8 to 11 months	7	3.1	3.4	11.7
	12 to 15 months	77	33.9	37.4	49.0
	16 months and above	105	46.3	51.0	100.0
	Total	206	90.7	100.0	
Missing	System	21	9.3		
Total		227	100.0		

From Figure 11, it is observed that the majority of the unemployed graduates spent more than 16 months searching for a job, and the figure stands at 51 percent. 37.4 percent of the unemployed spent 12 to 15 months looking for a job, followed by 4.4 percent who spent 4 to 7 months. 3.9 percent of them spent less than 3 months searching for a job, and only 3.4 percent searched for a job for 8 to 11 months. This

means that most of the graduates who are unemployed have been looking for work for a longer time.

Figure 8

Percentage of Unemployed Graduates by Preference of Job

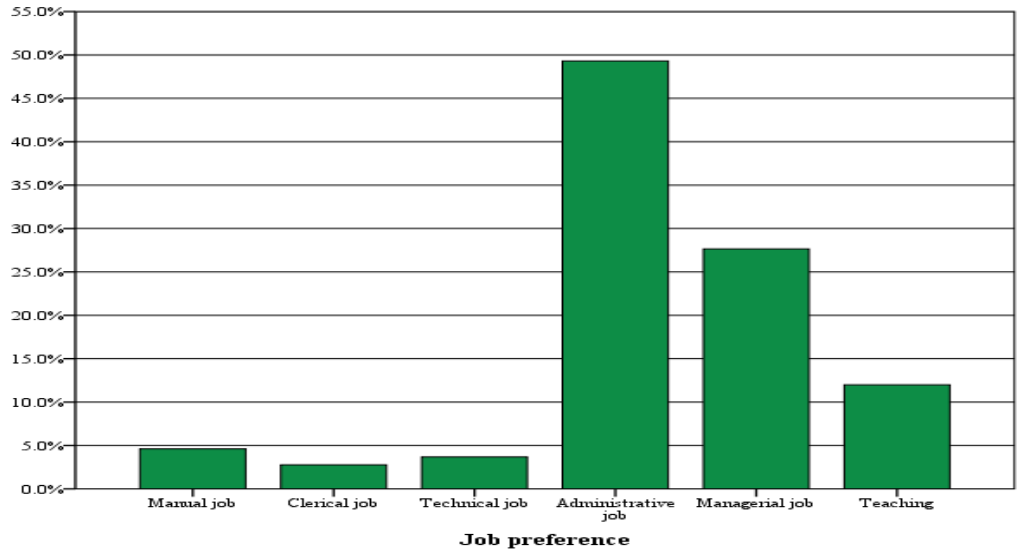
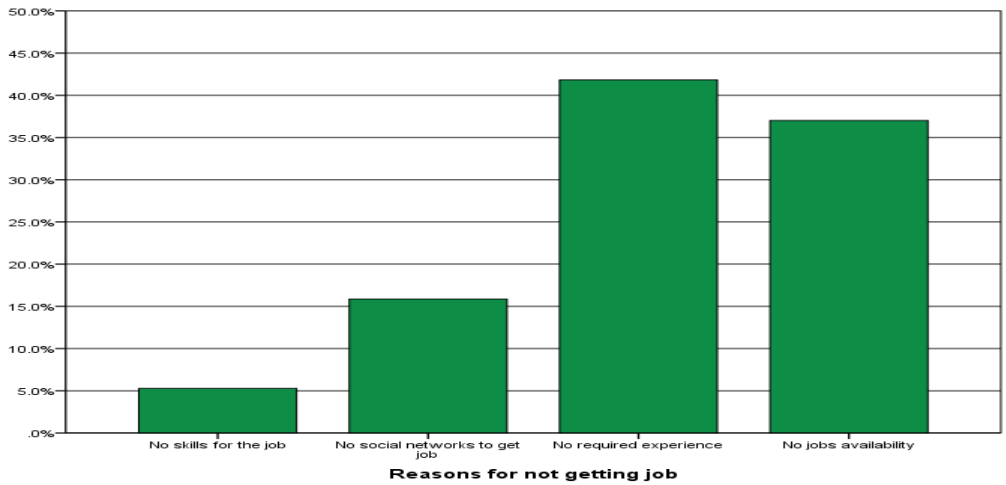


Figure 8 represents the percentage of unemployed graduates by job preference. Around 50 percent of unemployed graduates had perfection on administrative jobs, followed by 29.7 percent on managerial jobs. 12.1 percent of them wanted to work as teachers, followed by manual jobs by 4.2 percent. The least preferred jobs were technical jobs and clerical jobs.

Figure 9

Percentage of Reasons for Unemployment



As shown in Figure 9, 42.23 percent of unemployed graduates thought lack of required experience as a reason for not getting a job. Lack of adequate job opportunities and the social network stood at 36.89 percent and 15.53 percent, respectively. Similarly, 5.34 percent of unemployed graduates cited a lack of the requisite skills for a job as a reason for their unemployment.

Descriptive Statistics

According to the result, out of the total sample size of 384, 40.9 percent of respondents were employed, whereas 59.1 percent of respondents were found unemployed. This study consists of the active labor force, all persons above a specified age (21 years to 35 years) who were employed or unemployed during a short reference period (e.g., one week, one day) as defined by the ILO (2013). Summary statistics for all samples are presented in Table 12 (a) and 12 (b).

Table 12 (a)

Summary Statistics

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Age	384	21	35	26.74	4.11
Gender	384	0	1	0.54	0.49
Ethnicity	384	1	12	2.90	2.45
Marital status	384	0	1	0.40	0.49
Children	146	1	2	1.19	0.39
No of children	145	0	3	1.01	0.66
Parents	384	1	5	1.95	1.55
Household size	384	2	12	5.40	1.57
University	384	1	3	1.10	0.31
College type	384	1	3	2.16	0.78
Program	384	1	4	2.59	0.98
Division	384	1	3	1.98	0.70
Internship	384	0	1	0.34	0.47

Table 12 (b)

Summary Statistics

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Employment	384	0	1	0.59	0.49
Employed sector	157	1	4	1.60	0.75
Monthly salary	157	1.0	5.0	3.18	1.05
Factors influencing employment	158	1.0	8.0	4.12	1.69
Job satisfaction	156	1.0	5.0	3.84	1.11
Seeking job	225	1.0	2.0	1.08	.27
Time seeking job	208	1	5	4.25	1.02
Job preference	217	1.0	6.0	4.28	1.11
Reason for not getting job	208	1.0	4.0	3.10	0.85
Causes of not seeking job	18	1.0	4.0	1.83	1.04
Family occupation	384	1.0	6.0	1.69	0.98
Monthly family income	384	35.00	80.00	55.73	8.95
Family assets	384	1.0	6.0	2.26	1.53
Job search intensity	384	1.0	5.0	3.82	1.03
No. of job application	384	0	59	5.54	4.86
Size friends	384	1	4	1.40	0.85
Social network	383	1	5	3.76	1.35

Note: N=384

Relationship between Employment Status and Related Variables

Gender

According to Table 13, 58.1 percent of female graduates were unemployed compared to 41.9 percent of male graduates. It indicates that even now, many business houses are reluctant to provide employment opportunities for female. The result is also consistent with the finding of Mncayi (2016), who found that female graduates in South Africa were more likely to be unemployed than young male graduates. In this study, the Pearson Chi-square test was significant. So, it is

concluded that there is a linear relationship between gender and the employment status of graduates.

Table 13

Cross-Tabulations on Gender and Employment Status

			Employment status		
			Employed	Unemployed	Total
Gender	Female	Count	46	132	178
		% within gender	25.8%	74.2%	100.0%
		% within employment status	29.3%	58.1%	46.4%
		% of total	12.0%	34.4%	46.4%
	Male	Count	111	95	206
		% within gender	53.9%	46.1%	100.0%
		% within employment status	70.7%	41.9%	53.6%
		% of total	28.9%	24.7%	53.6%
Total		Count	157	227	384
		% within gender	40.9%	59.1%	100.0%
		% within employment status	100.0%	100.0%	100.0%
		% of total	40.9%	59.1%	100.0%
Pearson's Chi-square = 0.000					

Age

Table 14 reveals that 57.7 percent of unemployed graduates are in the age category of 21–25 years, compared to 15 percent in the age category of 31–35 years. It indicates that young graduates are more unemployed than older graduates. One reason for this may be that employers, generally, want to hire more experienced and capable manpower than inexperienced youth (Baah-Boateng, 2013; Sackey & Osei, 2006). The Pearson's Chi-square test shows a significant (0.011) correlation between the age of the graduate and employment status.

Table 14

Cross-Tabulation on Age and Employment Status

			Employment status		
			Employed	Unemployed	Total
Age	21-25	Count	72	131	203
		% within age	35.5%	64.5%	100.0%
		% within employment status	45.9%	57.7%	52.9%
		% of total	18.8%	34.1%	52.9%
	26-30	Count	48	62	110
		% within age	43.6%	56.4%	100.0%
		% within employment status	30.6%	27.3%	28.6%
		% of total	12.5%	16.1%	28.6%
	31-35	Count	37	34	71
		% within age	52.1%	47.9%	100.0%
		% within employment status	23.6%	15.0%	18.5%
		% of total	9.6%	8.9%	18.5%
Total		Count	157	227	384
		% within age	40.9%	59.1%	100.0%
		% within employment status	100.0%	100.0%	100.0%
		% of total	40.9%	59.1%	100.0%

Pearson's Chi-square = 0.011

Marital Status

Table 15 shows the cross tabulation on marital status and employment status of the youth graduates. It can be seen that the majority of unmarried graduates were unemployed (67%) compared with married graduates (33%). This result verifies the findings of Putnam (2000), Abdallah (2018), Wangmo (2016), and Schnebelen and Bruhn (2018) that married youth have to face different economic as well as social responsibilities that force them to find job opportunities. In this research, the Pearson's Chi-square is less than 0.05, so it is concluded that the correlation is statistically

significant, indicating a linear relationship between marital status and employment status among graduate youth.

Table 15

Cross-Tabulation on Marital Status and Employment Status

			Employment status		
			Employed	Unemployed	Total
Marital Status	Unmarried	Count	80	152	232
		% within marital Status	34.5%	65.5%	100.0%
		% within employment status	51.0%	67.0%	60.4%
		% of total	20.8%	39.6%	60.4%
	Married	Count	77	75	152
		% within marital Status	50.7%	49.3%	100.0%
		% within employment status	49.0%	33.0%	39.6%
		% of total	20.1%	19.5%	39.6%
Total		Count	157	227	384
		% within marital Status	40.9%	59.1%	100.0%
		% within employment status	100.0%	100.0%	100.0%
		% of total	40.9%	59.1%	100.0%
Pearson's Chi-square = 0.002					

Household Size

As shown in Table 16, 81.5 percent of unemployed graduates came from households with a medium size (4–7), compared to households with less than 3 (4.8%), 8–11 (13.7%), and 12 and above (0%). The cross-tabulation of household size and employment status shows a low unemployment rate in small households compared to large households. One of the reasons for this can be the laziness of junior members of the household when there are older family members at work. This finding is in line with the findings of Kingdon & Knight (2004) and Wangmo (2016), who found that having fewer family members has a lower chance of unemployment than

having a large family. The Pearson's Chi-square test reveals a significant relationship between household size and employment status in this study.

Table 16

Cross-Tabulation on Household Size and Employment Status

			Employment status		
			Employed	Unemployed	Total
Household size	Less than 3	Count	17	11	28
		% within household size	60.7%	39.3%	100.0%
		% within employment status	10.8%	4.8%	7.3%
		% of total	4.4%	2.9%	7.3%
	4-7	Count	134	185	319
		% within household size	42.0%	58.0%	100.0%
		% within employment status	85.4%	81.5%	83.1%
		% of total	34.9%	48.2%	83.1%
	8-11	Count	5	31	36
		% within household size	13.9%	86.1%	100.0%
		% within employment status	3.2%	13.7%	9.4%
		% of total	1.3%	8.1%	9.4%
	12 and above	Count	1	0	1
		% within household size	100.0%	0.0%	100.0%
		% within employment status	0.6%	0.0%	0.3%
		% of total	0.3%	0.0%	0.3%
Total		Count	157	227	384
		% within household size	40.9%	59.1%	100.0%
		% within employment status	100.0%	100.0%	100.0%
		% of total	40.9%	59.1%	100.0%
Pearson's Chi-square = 0.001					

Internship

The cross tabulation is presented in Table 17, which shows 77.1 percent of unemployed graduates had no internship experience compared to 22.9 percent of

unemployed graduates who have internship experience. This just shows that having an internship increases your chances of getting a job in the labor market. This finding is consistent with the findings of Baert et al. (2019), Silva et al. (2018), Price & Grant-Smith (2016), Nunley et al. (2016) and Callanan and Benzing (2004). They found that internship experience as human capital can increase the employment opportunities. In this study, the p-value is less than 0.05. So, it is concluded that there is a linear relationship between internship experience and the employment status of graduate youths.

Table 17

Cross-Tabulation on Internship and Employment Status

			Employment status		
			Employed	Unemployed	Total
Internship	No	Count	79	175	254
		% within internship	31.1%	68.9%	100.0%
		% within employment status	50.3%	77.1%	66.1%
		% of Total	20.6%	45.6%	66.1%
	Yes	Count	78	52	130
		% within internship	60.0%	40.0%	100.0%
		% within employment status	49.7%	22.9%	33.9%
		% of total	20.3%	13.5%	33.9%
Total		Count	157	227	384
		% within internship	40.9%	59.1%	100.0%
		% within employment status	100.0%	100.0%	100.0%
		% of Total	40.9%	59.1%	100.0%
Pearson's Chi-square = 0.000					

Family Income

From Table 18 (a) and 18 (b), it can be seen that majority of unemployed graduate's family monthly income lies less than 24 thousand (46%) compared to the

25-49 thousand (32.3%) and 50 thousand and above (21.7 %). It shows that graduates who have rich parents have more benefits to get employment opportunity than who have poor parents. The social network, information asymmetry could be the reasons for employment opportunities for graduate members of rich families because they can afford the cost of these things. The result derived from this study is consistent with the finding of Baah-Boateng (2013), who found that non-poor graduates have more employment opportunities in Ghana. In this research, Pearson's R-value is statistically significant. Therefore, it can be concluded that there is a linear relationship between income and the employment status of graduate youths.

Table 18 (a)

Cross-Tabulation on Income and Employment Status

			Employment status		
			Employed	Unemployed	Total
Income	Less than 24	Count	37	104	141
		% within income	26.2%	73.8%	100.0%
		within employment status	23.6%	46.0%	36.8%
		% of total	9.7%	27.2%	36.8%
	25-49	Count	64	73	137
		% within income	46.7%	53.3%	100.0%
		% within employment status	40.8%	32.3%	35.8%
		% of total	16.7%	19.1%	35.8%

Table 18 (b)

Cross-Tabulation on Income and Employment Status

			Employment status		
			Employed	Unemployed	Total
	50 and above	Count	56	49	105
		% within income	53.3%	46.7%	100.0%
		% within employment status	35.7%	21.7%	27.4%
		% of total	14.6%	12.8%	27.4%
Total		Count	157	226	383
		% within income	41.0%	59.0%	100.0%
		% within employment status	100.0%	100.0%	100.0%
		% of total	41.0%	59.0%	100.0%
Pearson's Chi-square = 0.000					

Social Network

Table 19 shows that the majority of unemployed graduates have a small friend circle who can help them to find employment opportunities. Data reveals that 88.1 percent of unemployed graduates have just friends circle of less than 24 whereas just 1.3% are unemployed who have friends circle of 75 and above. This finding coincides with the global trend and some empirical evidence conducted by Abdallah (2018) and Bentolila et al. (2010). The Pearson's p-value in this study was less than 0.05, indicating a significant correlation between the size of an individual's friend circle and their employment status. This suggests that having a larger friend circle could increase an individual's chances of finding employment opportunities as they have a larger network to tap into. Understanding this relationship could help policymakers and stakeholders design interventions to support unemployed graduates in expanding their networks and improving their chances of finding meaningful employment.

Table 19

Cross-Tabulation on Social Network and Employment Status

			Employment status		
			Employed	Unemployed	Total
Size of friends	Less than 24	Count	102	200	302
		% within friend size	33.8%	66.2%	100.0%
		% within employment status	65.0%	88.1%	78.6%
		% of total	26.6%	52.1%	78.6%
	25 to 49	Count	17	16	33
		% within friend size	51.5%	48.5%	100.0%
		% within employment status	10.8%	7.0%	8.6%
		% of total	4.4%	4.2%	8.6%
	50 to 74	Count	19	8	27
		% within Friend size	70.4%	29.6%	100.0%
		% within employment status	12.1%	3.5%	7.0%
		% of total	4.9%	2.1%	7.0%
	75 and more	Count	19	3	22
		% within friend size	86.4%	13.6%	100.0%
		% within employment status	12.1%	1.3%	5.7%
		% of total	4.9%	0.8%	5.7%
Total		Count	157	227	384
		% within friend size	40.9%	59.1%	100.0%
		% within employment status	100.0%	100.0%	100.0%
		% of total	40.9%	59.1%	100.0%
Pearson's Chi-square = 0.000					

Graduation Division

From Figure 20, it can be seen that the majority of graduate unemployed have a second division in graduation (53.3%) compared to 26.4 and 20.3 percent have third and first division respectively. These results indicate that having a good graduation

division increases the chances of employment than a low graduation division. The finding from this study is consistent with the finding of Chiandotto and Bacci (2007) and Saks and Ashforth (1999). In this study, the Pearson's Chi-square test shows a significant (0.007) association between graduation division and employment status.

Table 20

Cross-Tabulation on Graduation Division and Employment Status

			Employment status		
			Employed	Unemployed	Total
Graduate division	First	Count	52	46	98
		% within graduate division	53.1%	46.9%	100.0%
		% within employment status	33.1%	20.3%	25.5%
		% of total	13.5%	12.0%	25.5%
	Second	Count	74	121	195
		% within graduate division	37.9%	62.1%	100.0%
		% within employment status	47.1%	53.3%	50.8%
		% of total	19.3%	31.5%	50.8%
	Third	Count	31	60	91
		% within graduate division	34.1%	65.9%	100.0%
		% within employment status	19.7%	26.4%	23.7%
		% of total	8.1%	15.6%	23.7%
Total		Count	157	227	384
		% within graduate division	40.9%	59.1%	100.0%
		% within employment status	100.0%	100.0%	100.0%
		% of total	40.9%	59.1%	100.0%
Pearson's Chi-square = 0.007					

Measurement of Instrument Validity

Probit regression was performed to examine the unemployment driving factors among graduate youths. Before conducting the probit regression, the relevant

assumptions of this statistical analysis were tested according to the basic requirements. Firstly, the independents variables are linearly related to the log-odds of the dependent variables, the error term is normally distributed, the error term has constant variance across all levels of the independent variables and there is no multicollinearity among the independent variables.

Multicollinearity

Different methods to test the multicollinearity between variables a situation of high correlation between the variables could be used. In this research, the Variance Inflation Factor (VIF) and regression matrix were used to test this problem. As shown in Table 21 and Table 22, there is no problem of multicollinearity in this research. Table 21 shows the correlation matrix and values of all variables lies below 0.8. Similarly, Table 22 presents the Tolerance and VIF and the values of all independent variables meet the requirement of the test of multicollinearity. In this way, both instruments confirm that there is no serious problem with multicollinearity.

Table 21

Correlation Matrix

Variables	Unemployed	Age	Male	Married	Household size	Job Application	Monthly family income	Internship	Size of friends	Graduate Marks
Unemployed	1.00									
Age	-0.147	1.00								
Male	-0.286	0.018	1.00							
Married	-0.162	0.199	-0.057	1.00						
Household size	0.162	0.016	-0.011	0.020	1.00					
Job application	-0.174	-0.049	0.051	-0.049	0.065	1.00				
Monthly family income	-0.222	0.146	0.109	0.110	-0.055	0.034	1.00			
Internship	-0.279	0.052	0.049	0.030	-0.194	0.182	-0.057	1.00		
Size of friends	-0.308	0.007	0.148	0.066	-0.020	-0.014	0.113	0.028	1.00	
Graduate marks	-0.182	0.035	-0.008	0.095	-0.027	0.044	0.052	0.098	0.048	1.00

Table 22

Multicollinearity Statistics

Variables	Tolerance	VIF
Age	0.937	1.068
Male	0.959	1.043
Married	0.935	1.069
Household size	0.944	1.059
Job application	0.943	1.061
Monthly family income	0.935	1.070
Internship	0.899	1.112
Size of friends	0.961	1.040
Graduate marks	0.976	1.024

Probit Regression Analysis

In this research, the probit model is appropriate to predict the probability of the binary outcome which is applied to determine the driving factors of graduate unemployment. The estimated probabilities of all variables always lie between two extreme values 0 and 1. The value 0 indicates there is no chance of prediction by predictors and 1 indicates there is a perfect chance of prediction. While designing the probit regression model, all the necessary conditions of it are considered. First of all, the number of observations is sufficiently large what needed for linear regression which decreases the biasness of this model. Secondly, there is no perfect linear dependency between variables. Moreover, there was no multicollinearity. On the basis of these conditions, the regression results of the probit model for this research:

$Prob\left(U_i = \frac{1}{X_i}\right) = Prob(U_i = 1/\text{AGE, GD, MS, HS, JSI, HMI, SI, BSN, GM}) =$

$\Phi(\beta_0 + \beta_1 AGE + \beta_2 GD + \beta_3 MS + \beta_4 HS + \beta_5 JSI + \beta_6 HMI + \beta_7 SI + \beta_8 BSN + \beta_9 GM + \varepsilon_i)$ are presented in the Table 23:

Table 23

Probit Regression Estimates for the Unemployment Driving Factors

	Coefficient		Marginal Effect	
Variables	Coefficient	Robust Std. Err.	dy/dx	Std. Err.
Age	-0.042**	0.018	-0.011	0.005
Male	-0.782***	0.150	-0.213	0.037
Married	-0.384**	0.152	-0.104	0.040
Household size	0.145***	0.054	0.039	0.014
Job application	-0.062***	0.020	-0.017	0.005
Monthly family income	-0.729***	0.226	-0.198	0.059
Internship	-0.714***	0.159	-0.194	0.040
Size of friends	-0.487***	0.095	-0.132	0.023
Graduate marks	-2.527**	1.120	-0.689	0.297
Constant	10.111***	2.344		
Number of observations	384			
Wald chi2(9)	117.74			
Prob > chi2	0.000			
Pseudo R2	0.283			
Log likelihood	-186.067			

Note: *, ** and *** show the level of significant at 10%, 5% and 1% respectively.

The coefficient value obtained from the probit regression model only tells us how dependent and independent variables are related. To magnified the relation between dependent and independent variables and to get the individual characteristics to predict the probability of an individual being unemployed, the marginal effect was applied. The likelihood ratio of Chi–square of 117.74 with the p-value of 0.000 tells us that the model as a whole is statistically significant. The model mentioned in Table 23 is related to the unemployment driving factors among graduate youths in the Biratnagar Metropolitan City. The result from the table represents that those 9 independent variables are found to have a statistically significant relationship with the

graduate youth unemployment. The model finds the male, household size, job application, monthly family income, internship, and size of friends variables to be significant at a 99% confidence level and suggests a negative impact on the graduate youth unemployment. Only the variable household size has positively significant with the graduate youth unemployment. Similarly, variables age, married and graduate marks reveal significant at 95% confidence level.

CHAPTER V

FINDING AND DISCUSSION

In this chapter, the results of the study on unemployment driving factors among graduate youths are explained and discussed. The test result and findings are arranged systematically to answer the research questions. Previous studies and theories have been taken to discuss the results.

Major Findings

The findings of the sampled population showed that about 59.1 percent of the sampled graduates were unemployed and the majority of them were female graduates. The study showed that the gender of the graduate was a significant determinant of unemployment.

The research found a significant relationship between the age of graduates and the probability of unemployment. The age of graduates was observed to be statistically significant with a negative relationship with unemployment. Another key finding was related to the marital status of graduate youths and unemployment status. The male dummy was statistically significant but negative in relationship between marital status and the probability of being unemployed.

Similarly, the controlled variables for graduate unemployment like household size, job application, family monthly income, internship, size of friends, and graduation marks have a higher effect on the probability of graduate unemployment. Despite the household size, all the variables are negatively related to youth unemployment. The household size has a statistically significant and positive relationship with the probability of being unemployed. Two variables: gender and graduation marks were found highly effective to cause graduate unemployment.

The thought-provoking finding of the research that has not previously been explored much in Nepal is the significant relationship between family income and the probability of unemployment. It was observed to be statistically significant negative relationship with unemployment.

Another finding of the research connects to social networks and the probability of unemployment. The social network was measured according to the number of friends and families who can help them to get a job. The control variable social network was statistically significant with a negative sign.

Concerning the extent of personal characteristics on graduate youth unemployment, all of the explanatory variables were significant. The age, gender, marital status, and graduate marks had an impact on the probability of graduate unemployment by 1.1%, 21.3%, 10.4 and 68.9 % respectively.

Looking at the impact of the job search intensity among the youth graduate unemployment, it was revealed that, if a respondent applied fewer job applications, there was an impact on the probability of being unemployed. With regard to the family background, the study revealed that income had a negative significant impact on the probability of graduate unemployment.

In short, the study found that age, gender, marital status, household size, job application, family income, internship, size of friends, and graduation marks were significant (see Table 23); suggesting that these factors helped in predicting unemployment driving factors.

Discussion

The study attempted to analyze the unemployment-driving factors among graduate youths in the Biratnagar metropolitan city. In order to achieve these driving factors of graduate unemployment, the study considered to investigate the

unemployment driving factors among graduate youths in the research area as well as measure the extent of personal characteristics such as age, gender, marital status, graduation marks, family background and job search intensity on unemployment of university graduates.

The study takes references of mainly two theories : human capital theory and social capital theory to analyze the unemployment-driving factors among graduate youths. On the basis of these theories, the study seeks to discuss how the different individual and institutional factors determine the chances of unemployment in graduate youths in Nepal's metropolitan cities.

Unemployment Driving Factors

On the basis of the objective of the research question: to determine the driving factors of graduate youth unemployment, the research question was set as; " what are the unemployment-driving factors among graduate youths ?". To answer this question, the probit regression model is utilized to estimate various unemployment-driving factors among graduate youths and it was found some statistically significant variables. The study revealed that gender, age, marital status, household size, job application, family income, internship, size of friends, and graduation marks were significant driving factors of graduate unemployment.

The signaling theory is very significant for describing the individual and organization's behavior when there is information asymmetry between two parties (Connelly et al., 2011). This theory suggests that when there is a lack of information, generally, employers made hiring decisions on the basis of normal characteristics like age and other demographics (Spence, 1973). On the basis of this theory, a rational employer always wants to hire more energetic and young manpower than old and less energetic. However, it is different from the literature that were viewed. An analysis

from Ghana reveals that an increase in the age of graduates increases the chance of being employed till they reach a point where changes begin to decline (Abdallah, 2018). Similarly, an study conducted by Sackey and Osei (2006), Baah-Boateng (2013), (Wangmo, 2016), Chuang (1999) and Philbert (2016) reveal that older graduates have fewer chances to be unemployed than smaller graduates. On the other hand, a study conducted in Europe shows that older have fewer employment opportunities than newer youths (Evangelist & Christman, 2013). This is so because of the earlier retirement of older employees which employers want to avoid. The results reported in Table 23 show that the age of the graduate is statistically significant at 5 percent with a negative sign. This implies that older graduates have less chance to be unemployed than small age graduates by 1.16 percent points. It indicates that youths are suffering from different demand barriers such as observed discriminating practices of the employers, lack of experience, lack of exposure to the working environment, and lack of market skills relative to older cohorts as explained by Baah-Boateng (2013) and Sackey and Osei (2006).

Gender as a determinant of graduate unemployment, its effect on unemployment was also considered in the analysis and reports are presented in above Table 23. The male dummy is statistically significant at 1 percent with coefficient 0.21 indicating male graduates decreases the chances of unemployment than female graduates by 21 percent points. Other studies' evidences also show the same finding as this research. This finding is coped up with Polachek's Gender Segregation Theory (1987), an extension of the Human Capital Theory. According to this theory, females spend less time in the labour market than domestic responsibilities, So, their labor skills depreciate. There are some contradictory observations in Europe. Mooi-Reci and Ganzeboom, (2015) found that females are more likely to get subsequent jobs

than males. This result is consistent with the finding of Abdallah (2018)) from Ghana. Statistical evidence from Tanzania shows gender as a significant determinant of unemployment and male youths have more chance of being employed than females (Msigwa & Kipesha, 2013). Similar findings are also observed by other scholars such as Alawad et al. (2020), Longe (2018), Baah-Boateng (2013), (Wangmo, 2016), and Sackey and Osei (2006). It represents that there is still gender discrimination in the different parts of the world in regards to the nature of jobs and some stereotypes about the productivity of females. Different cases shows that Nepal is not different from the global scenario in female discrimination. The government of Nepal had applied different laws and policies to increase women's empowerment but the evidence is not seen as satisfactory yet.

The dummy of marital status is shown in Table 23 as a statistically significant predictor of graduate youth unemployment at 5% with the predicted sign. The marginal effect of the control variable shows that the married graduates have around 10 percent more opportunity to be employed than unmarried or single graduate youth. According to the social capital theory, marriage is one of the significant sources of bonding capital and it helps to create the social network through the new relations which may increase employment opportunities (Putnam, 2000). Similar findings were reported by Abdallah (2018), Wangmo (2016), and Schnebelen and Bruhn (2018). In the context of Nepal, married graduates have more financial and social responsibilities as well as obligations than unmarried or single graduates (Guinée, 2014). Therefore, married graduates are more employed than unmarried or single graduates in Nepal.

According to the probit regression results, household size is statistically significant at 1 percent point with expected sign. It represents those individuals who live in the high-member family or joint family has more chances to be unemployed as

compared to neutral family. It clearly indicates that when there are more family members, some members are unwilling to work because they have no financial responsibilities as they face in small household size. It may be a reason that they remain unemployed. Similarly, in some families, after married females are not allowed to work outside in Nepal. This fact is consistent with the research conducted by Kingdon and Knight (2004) and Wangmo (2016).

An inverse relationship between student internship and the probability of being an unemployed graduate is found from the analysis. The controlled variable is statistically significant at 1 percent with the predicted sign. The marginal effect reveals that a student having internship experience has around 20 percent more chances to be employed than someone who has no internship experience (See Table 23). This result is consistent with the theory of human capital, which focuses on the investment in education, training, and health of the individual to incur a positive impact on employment and employment outcomes (Becker, 1962). Statistical evidence from Ghana shows that graduate youths having experienced such an internship, holiday jobs or previous job experience decrease the probability of unemployment (Abdallah, 2018). Similarly, Baert et al. (2019), Silva et al. (2018), Price and Grant-Smith (2016), Nunley et al. (2016) and Callanan and Benzing (2004) were reported that internships as a significant instrument to raise the probability of not unemployed. It clearly indicates that no one wants to hire fewer experience graduates as compared to experience and internship holder graduates because this will be more beneficial to employers.

In this study, the job search intensity was measured according to the number of job applications send by graduates' youth to get employment opportunities. Table 23 shows the job search intensity is statistically significant at 1 percent with a

negative sign. It means that graduates who send more job applications are likely to decrease the chance of being unemployed by 2 percent. This finding is consistent with the findings of Abdallah (2018), Kanfer et al. (2001), Opoku Nyarko et al. (2014) and Franzen and Hangartner (2006). The job search intensity requires different factors like time, money, and dedication. So, the graduates who want a job will increase job search in the hope of employment opportunities. Hence, the graduate youths who send more job applications have more probability to be employed than those who send fewer job applications.

Family income here refers to the monetary income of all the members of a household. Family income as a control variable in this study, is statistically significant at 1 percent with a negative sign. This result reveals that having a high family income is less likely to make them unemployed by 20 percent. This finding is consistent with the global trend and the finding of the empirical study conducted in Ghana, which shows that poor are more likely to be unemployed than the non-poor because of financial and information constraints (Baah-Boateng, 2013). In practice, high-income families might have more social networks and their members may involve in different business activities which helps to search for employment opportunities for youth graduates. Mazzotta's (2010) study in Italy also revealed that economic condition of household inversely affects the unemployment duration whether they complete any educational degrees. Similarly, Wangmo (2016) found that household assets as a significant determinant of unemployment, when household asset increases by 1 percent point, unemployment is likely to decline by 0.8 percent.

In this research, bonding social network was measured in the form of the number of close friends and relatives who can help the graduate youths to find job opportunities. The regression result reveals that bonding social network is statistically

significant at 1 percent point with expected sign. It means that an additional increase in bonding social networks decreases the probability of being unemployed in graduate youth by 13 percent points. This finding coincides with the global trend and some empirical evidence conducted by Abdallah (2018) and Bentolila et al. (2010). This reveals the negative relationship between the social network and the probability of being graduate unemployed in Ghana and the US and Europe respectively matching with the social capital theory that shows social network, social structures, and membership to gain certain benefits (Porter, 1998). So that social network has a positive relationship with the labor market success. In Nepal, it is an important instrument of financial and emotional support to get employment opportunities.

The result shows the graduation marks is statistically significant at 5 percent with the expected sign. It implies an individual having higher graduation marks in comparison to those who have lower graduation marks is less likely to remain unemployed by 69 percent points. Surprisingly, much research in global trends revealed that the graduation mark or grade is insignificant to determine the employment status of graduates. Baldry (2016) in South Africa, found marks obtained by a graduate are not a significant influencer of employment and unemployment status. In this case, she cleared that when the graduation mark is included with other variables, its importance declines and becomes the insignificant determinant. Similarly, Gartell (2009) found that the average grades of Swedish college graduates did not have any significant effect on their employment status. But the finding from this study is consistent with the finding of Chiandotto and Bacci (2007) and Saks and Ashforth (1999). In the Nepal's Scenario, the graduation mark is assumed to be the best measurement of efficiency (Lockheed et al., 1980). In this way, employers prefer

higher marks or grade holder employees than the low one. So, they have more benefit to be employed than others.

Extent of Personal Characteristics

To examine the extent of the personal characteristics of respondents, it is also an important step. For this, the research question was set "To what extent the personal characteristics age, gender, marital status, graduation marks, family background and job search intensity define on unemployment ?". The objective of research question 2 was to measure the extent of personal characteristics such as age, gender, marital status, graduation marks, family background and job search intensity to defines the graduate youth unemployment status. To find the extent of personal characteristics on unemployment marginal effect analysis was conducted. The research revealed that all these variables were statistically significant with negative sign. Among them the graduation marks had maximum impact on graduate unemployment. According to the finding, the age, gender, marital status, graduation marks decreased the chances to be the unemployed by 1.1%, 21.3%, 10.4%, 68.9 respectively. This finding on the item that extent of personal characteristics was also consistent with other studies (Msigwa & Kipesha, 2013; Alawad et al., 2020; Longe, 2018; Baah-Boateng, 2013; Wangmo, 2016; Sackey & Osei, 2006; Abdallah, 2018) that age, marital status, gender and graduation marks enhance graduate unemployment.

The background of the family was measured according to the monthly income of the household. The inferential statistics clearly showed that those with higher family incomes or those with richer families were more likely to find employment opportunities and less likely to be unemployed. This finding (19.8%) is consistent with the global trend and the empirical study conducted in Ghana by Baah-Boateng

(2013) shows that poor are more likely to be unemployed than the non-poor because of financial and information constraints. In practice, high-income families have more social networks and their members may involve in different business activities which helps to search for employment opportunities for youth graduates. This finding was sync with the social capital theory. This theory states social network as social capital has a positive relationship with the labor market success.

Similarly, the purpose of this research question was also to examine the extent of job search intensity on unemployment of university graduates. Results of responses to items revealed that graduates having fewer job application increases the probability of unemployment by 1.7 %. The finding is consistent with the finding of Abdallah, (2018), Kanfer et al. (2001), Opoku Nyarko et al. (2014) and Franzen & Hangartner (2006). Among them Abdallah (2018) observed that the number of friends, family and cloSse relatives helps to find employment opportunities to graduates for Ghana. He also found that job search intensity to determining employment status significant is 5 percent which reveals that an additional increase in a number of job applications increases the chance of employment.

In conclusion, to answering the designed research questions a quantitative method of data collection and analysis was used. A survey questionnaire was applied to determine the unemployment-driving factors among graduate youths. For the ethical consideration, the name of colleges and students are not disclosed. The study applied a non-probability purposive sampling technique to select the city. To reduce the bias owing to the use of non-probability sampling, graduates were selected indiscriminately. The Statistical software Package SPSS and STATA were applied to analyze the data. The Pearson's Chi-square test was adopted to test the significance of the cross-tabulation analysis. The probit regression model was run to determine

impact of some factors on the unemployment-driving factors. In practice, high-income families have more social networks and their members may involve in different business activities which helps to search for employment opportunities for youth graduates. This finding was in sync with the social capital theory. This theory states social network as social capital has a positive relationship with the labor market success.

CHAPTER VI

SUMMARY, CONCLUSIONS AND IMPLICATIONS

There is no doubt graduate unemployment is rapidly spreading day by day in Nepal. The graduate youth unemployment may engage with different social, economic, political, personal, and educational factors. Many empirical studies, although, focused on educational achievement to get employment opportunities, which is partially true because many students are deprived of benefitting from educational achievement. This study attempted to identify the unemployment-driving factors of graduate youths in the Biratnagar metropolitan city.

This chapter divides into three topics. The first topic presents the summary of the study and then the conclusion is made on the basis of key findings in the second topic and finally, the recommendation is made on the basis of the conclusion.

Summary

This study identified the unemployment-driving factors among graduate youths in Biratnagar metropolitan city by applying the descriptive survey type technique of research. Among different research instruments, this research made use of a survey questionnaire to collect required information (data) from graduate youths of Biratnagar who passed graduation degrees from different colleges between 2011 to 2020. The questionnaires were reproduced and distributed to 384 graduates of different programs: Humanities/Social science, management, education, and science.

The information collected was classified, tabulated, and analyzed using frequency and percentage distribution, mean, standard deviation, cross-tabulation, Pearson's Chi-square test for descriptive statistics, and probit regression model for inferential statistics.

In the analysis of data, the unemployment driving factors among graduate youths in the Biratnagar metropolitan city, demographic profiles such; age, gender, marital status, household size, educational profile such; graduation grade, student internship, family economics background profile, and job search and social network profile, frequency, and percentage distribution and probit regression model were used.

In determining the extent of personal characteristics on graduate youth unemployment cross-tabulation and marginal effect were used. The probit regression analysis shows that all the observed variables such as age, gender, marital status, household size, job application, family income, internship, size of friends, graduation marks and job search intensity are negatively significant with graduate youth unemployment; except graduation marks, which is positively significant with graduate youth unemployment.

Conclusions

The conclusion of this study is based on both the empirical findings and the literature. The main objective of the study was to investigate the unemployment-driving factors of graduate youths. The findings revealed that age, marital status, gender, household size, job application, family income, internship, size of friends, and graduation marks influence the unemployment prospects of graduates. These findings are supported by the recent studies examining the driving factors of graduate youth unemployment. In particular, since the gender element cannot be excluded in the analysis of youth unemployment in Nepal, the finding of this study confirms that female graduates have more probability to be unemployed than male graduates.

The study also attempts to determine the extent of personal characteristics to define the graduate youth unemployment. It was found that all the observed personal factors were statistically significant to youth unemployment. Similarly, to measure the

extent and impact of job search intensity and family background, probit regression model was used, and found that number of job applications and household income were significant predictor of youth unemployment.

The problem of unemployment in graduate youths has attracted increasing debate and discussion in recent times. The policies related to graduate youth unemployment have been formulated in Nepal without knowing the ground realities of the situation of the youths. So, along with the lack of proper policies of youth unemployment, most of the youth policies seemed ineffective to maintain employment opportunities. Using graduates from different colleges of Biratnagar Metropolitan city, the study has revealed the different unemployment-driving factors among graduate youths. This study is important because it investigated the microeconomics variables of unemployment of graduate youths. It also undertook the extent of personal, household and educational characteristics to define the youth unemployment. While many studies in the past used macroeconomic variables to investigate the unemployment driving factors.

Implications

The results of this study revealed that some demographic, educational, and economic factors are responsible for the probability of being unemployed. Independent variables like age, marital status, household size, job search intensity, and bonding social network have less effect on unemployment, whereas gender, household income, internships, and graduation marks indicate a higher impact on youth graduates' employment status. These findings may be significant to graduates, college administrators, government policymakers, and other stakeholders in that the society may benefit from the findings of this research because it attempted to determine the probabilities of control variables for graduate youth unemployment.

Authorities involved in this issue can develop comprehensive policies and laws to address the most likely variable in order to reduce graduate unemployment. The implications of this research are targeted at the following authorities:

Government

The government of any country has an important role and responsibility to play in reducing unemployment. Educated unemployment is an institutional problem. The main reason for this is the inability of government policies and lack of effective implementation of such policies. This research has identified the factors that determine educational unemployment. In the Nepalese education system, there are only a few programs in which students' internships are compulsory and only few students can take benefits from internships but majorities of students have no knowledge about the student internship program. So, the government should focus on student internship programs to secure the future of graduate students.

The study of which can help the government to formulate a new policy. This research shows that women are more unemployed than men. To this end, the government can create new employment opportunities for women by exploring new sources of women's empowerment.

College Authorities

With the help of this research finding, colleges will be able to improve their weaknesses in a policy-oriented manner. The study revealed that more than 90 percent of the students were from Tribhuvan University, and the proportion of employment opportunities for graduate students from other universities was proportionately higher than that for those who belong to Tribhuwan University. It suggests colleges do a comparative study of the curriculums of different universities and rethink the affiliation. Most of the students who have not taken advantage of the internship

experience as well as the career guidance program provided by the college are more likely to be unemployed. It recommends that colleges should conduct such programs on a regular basis and should expand the scope of it.

Graduates

This study has suggested many things to the students to create employment opportunities. First of all, this study finds graduation marks as an important indicator of unemployment. Graduates with good gradation marks were found to be less unemployed than others. It encourages students to get good marks and shows the need for hardworking graduates in the labor market. Also, since experience has a big role to play in the labor market, it is suggested that students should be involved in internships, college guidance programs for the experience.

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APPENDIX A

Survey Questionnaire

Dear Graduate/Participant

My name is Indra Prasad Pyakurel and I am currently completing my MPhil in Economics at Nepal Open University under the supervision of Dr. Bhim Prasad Bhusal. My focus area is on unemployment, and as such the objective of this research study is to identify the driving factors of unemployment of young graduates from colleges of Biratnagar. The target population includes all male and female graduates who completed their higher education qualification from different colleges of Biratnagar between 2009 and 2019; or who are 35 years or younger. Through your participation, I eventually hope to provide a clear picture of the dynamics of graduate unemployment in Nepal.

The value of your opinion as a young graduate is crucial here. All survey responses will be held in strict confidence and only be disclosed in the form of aggregate statistical summaries. Your responses will not be identified with you personally. Participation is voluntary.

If you have any questions or concerns about completing the survey (questionnaire) or about participating in this study, you may contact me at 9862264754 or at ippyakurel@yahoo.com. Alternatively, contact my supervisor, Dr. Bhusal at 9851196048 or at bhusal1875@gmail.com.

Thank you for taking the time to assist me with my educational endeavors. The survey will take approximately ten minutes to complete and I hope you will take these few minutes to complete it.

Sincerely
Indra Prasad Pyakurel

(आदरणीय स्नातक/ सहभागी

मेरो नाम इन्द्रप्रसाद प्याकुरेल हो र म अहिले नेपाल ओपन युनिभर्सिटीमा डा. भीमप्रसाद भुसालको रेखदेखमा अर्थशास्त्रमा एमफिल (Mphil) को थेसिस गरिरहेको छु। मेरो अनुसन्धानको क्षेत्र बेरोजगारी रहेकोछ, र यो अध्ययनको मुख्य उद्देश्य विराटनगरमा रहेका कलेजहरूबाट स्नातक उत्रिर्णहरू बेरोजगार हुनुको पछाडिका कारक तत्वहरुको पहिचान गर्नु रहेको छ। यस अनुसन्धानको लक्षित जनसंख्यामा बि.सं. २००९ र वि.सं. २०१८ को बीचमा विराटनगरका विभिन्न कलेजहरूबाट स्नातक वा त्यो भन्दा माथिको योग्यता पूरा गरेकासबै पुरुष र महिला सम्मिलित रहेका छन्। तपाईको सहभागिताको माध्यमबाट, म नेपालमा स्नातक बेरोजगारीको स्पष्ट चित्र देखाउँने आशा गर्दछु।

युवा स्नातकको रूपमा तपाईंको रायको यहाँ महत्वपूर्ण स्थान रहेको छ। सबै सर्वेक्षण प्रतिक्रियाहरू कडा विश्वासका साथ आयोजित गरिनेछ र मात्र कुल सांख्यिकीय सारांशको रूपमा खुलासा हुनेछ। तपाईंको प्रतिक्रियाहरू तपाईँसँग व्यक्तिगत रूपमा पहिचान हुनेछैन। सहभागिता स्वैच्छिक हो।

एक युवा स्नातकको रूपमा तपाईको रायको मूल्य यहाँ महत्वपूर्ण रहन्छ। यहाँ सबै सर्वेक्षणबाट प्राप्त प्रतिक्रियालाई गोपनियताको साथ राखिने छ र केवल समग्र सांख्यिकीय सारांशको रूपमा मात्र प्रस्तुत गरिने छ। तपाईंको प्रतिक्रियालाई व्यक्तिगत रूपमा पहिचान गरिनेछैन। तपाईको सहभागिता स्वैच्छिक छ।

यदि तपाईंसँग सर्वेक्षण (प्रश्नावली) पूरा गर्न वा यस अध्ययनमा भाग लिने बारमा कुनै प्रश्न वा चिन्ता छ भने, तपाईं मलाई ९८६२२६४७५४ वा ippyakurel@yahoo.com मा सम्पर्क गर्न सक्नुहुन्छ साथै वैकल्पिक रूपमा, मेरो सुपरवाइजर डा.भुसाललाई ९८५११९६०४८ वा bhusal1875@gmail.com मा सम्पर्क गर्नसक्नुहुनेछ।

मेरो शैक्षिक प्रयासमा मलाई मद्दत गर्न समय निकाल्नु भएकोमा धन्यवाद। सर्वेक्षणले लगभग १० मिनेट लिन सक्नेछ र म आशा गर्दछु कि तपाईंले यो समयमा पूरा गर्नुहुनेछ।

भवदीय
इन्द्र प्रसाद प्याकुरेल)

Section A: General Information (सामान्य जानकारी)

A1. Age (उमेर)			
A2. Gender (लिंग)	1. Female [ ] (महिला)	2. Male [ ] (पुरुष)	3. Others (specify)…… (अन्य)
A3. Ethnicity (जाती)			
A4.Marital Status (वैवाहिक अवस्था)	1. Married [ ] (विवाहित)	2. Unmarried [ ] (अविवाहित)	3. Others (specify)…… …… (अन्य)

A5.Do you have a child /children? (तपाईका छोराछोरी छन?)	1. Yes (छन) 2. No (छैनन्)
A6.Number of children तगाईका छोराछोरी कती जना छन ।	1. One (एक) 2. Two (दुई) 3. Three and above (तीन वा तीन भन्दा बढी)
A7.Do you have any other dependents? (तपाईसंग आस्रित कोही हुनुहुन्छ ?)	1. Yes (छन) 2. No(छैनन्)
A8.No. of family members (परिवार सदस्य संख्या)	
A9.No of dependent members (आस्रित परिवारका सदस्यको संख्या)	
A10. Who do you live with? (तपाई कोसंग बस्नु हुन्छ ?)	1. Both parents (आमाबुबा दुबैसंग) [ ] 2. Father only (बुबासंग मात्र) [ ] 3. Mother only (आमासंग मात्र) [ ] 4. Relative/Guardian (आफन्तसंग) [ ] 5. I live by myself/I have my own family (मेरो आफ्नै परिवार छ ।) [ ]

Section B: Educational Background (शैक्षिक पृष्ठभूमि)

B1. From which university did you graduate? (तपाईले कुन विश्वविद्यालयबाट स्नातक पास गर्नु भएको हो ?)	1. Tribhuwan University (त्रिभुवन विश्वविद्यालय) [ ] 2. Purwanchal University(पुर्वाञ्चल विश्वविद्यालय) [] 3. Kathmandu University(काठमाडौं विश्वविद्यालय) [] 4. Others. (अन्य भए निर्दिष्ट गर्नहोस्)…… [ ]
B2. What was the nature of your graduate college? (तपाईले स्नातक गरेको कलेज कुन प्रकारको थियो?)	1. Government (सरकारी) [ ] 2. Public(समुदायिक) [ ] 3. Private (निजि) [ ] 4. other (Specify) (अन्य निर्दिष्ट गर्नुहोस्) [ ]
B3. What program did you graduate with?' (तपाईले कुन संकायमा स्नातक गर्नु थएको हो?)	1. Humanities/ Social Science(मानविकी/सामाजिक विज्ञान)[ ] 2. Science (विज्ञान)[ ] 3. Management(वाणिज्य)[ ] 4. Education (शिक्षा)[ ] 5. Others (specify) (अन्य भए निर्दिष्ट गर्नहोस्)……

B4. What division did you graduate with? (तपाईले कुन श्रेणीमा स्नातक उत्रिर्ण गर्नु भएको हो?)	1. First(प्रथम) [ ] 2. Second(द्वितीय) [ ] 3. Third(तृतीय) [ ] 4. Pass (उत्रिर्ण) [ ]
B5. What was your final cumulative grade point average? (percentage or GPA) (स्नातकमा तपाईको अन्तिम ग्रेड पोइन्ट औसत कति थियो?)	
B6. During your studies, did you ever make use of career guidance services offered by the campus Career Centre? (के तपाईले अध्ययनको क्रममा क्याम्पस क्यारियर सेन्टरले प्रस्ताव गरेको क्यारियर निर्देशन सेवाहरूको प्रयोग गर्नु भएको छ?	1. Yes (लिएको छु) [ ] 2. No (लिएको छैन)[ ]
B7. How long was your internships period? (तपाईको इन्टर्नशिप अवधि कति समयको थियो?)	1. Less than 3 months (३ महिना भन्दा कम) 2. 3-6 months (३-६ महिना) 3. 6-9 months (६-९ महिना) 4. 9-12 months (९-१२ महिना) 5. 1 year and more (१वर्ष वा त्यो भन्दा बढी)

Section C: Employment Status (रोजगारीको अवस्था)

C1. Please indicate your employment status (तपाईको रोजगारीको अवस्था कुन हो ?	1. Employed (रोजगार) [ ] 2. Unemployed (बेरोजगार) [ ]
If You are Employed	
C2. Which of these sectors are you employed in (दिएका मध्ये तपाई कुन क्षेत्रमा काम गरिरहनु भएको छ)	1. Private Sector (निजी क्षेत्र) 2. Government Sector(सरकारी क्षेत्र) 3. Semi-government sector(अर्धसरकारी क्षेत्र) 4. Self Employed(स्वरोजगार)
C3. Roughly How much are you currently earning monthly? Net or take-home pay, after tax? (तपाईको वर्तमान मासिक खुद आम्दानी कति रहेकोछ?)	
C4. What do you think are the most important factors that helped you get a job? (CHOOSE ONE) (रोजगारी प्राप्त	1. Grades (ग्रेड)[ ] 2. Course/programme offered at the university (विश्वविद्यालयको पाठ्यक्रम/विश्वविद्यालयले प्रदान गरेको कार्यक्रम) [ ] 3. Contacts (who-you-know) (संपर्क)[ ] 4. Added value (additional certificates or training) (अतिरिक्त सर्टिफिकेट वा प्रशिक्षण)[ ] 5. Practical skills (व्यवहारिक ज्ञान) [ ] 6. Previous work experience (कार्य अनुभव) [ ] 7. Personality (eloquence, social skills, confidence,

गर्नको लागि कुन कारण तपाईलाई सबै भन्दा महत्वपूर्ण लाग्दछ ?) (एक छनोट गर्नुहोस्)	initiative, etc) (व्याक्तित्व) [ ] 8. Luck (भाग्य) [ ] 9. Gender (लिंग) [ ] 10. Other (specify) (अन्य भए निर्दिष्ट गर्नहोस्)……				
C5. Are you satisfied with your current job? (तपाई आफ्नु कामबाट सन्तुष्ट हुनुहुन्छ?)	Strongly satisfied (धेरै सन्तुष्ट)	Satisfied (सन्तुष्ट)	Neutral (तटस्थ)	Strongly Dissatisfied (धेरै असन्तुष्ट)	Dissatisfied (असन्तुष्ट)
If you are self- employed					
C6. What kind of business are you into? (तपाई कुन व्यवसायमा संलग्न हुनुहुन्छ?)	1. Fashion (फेसन) [ ] 2. Photography(फोटोग्राफी) [ ] 3. Catering (केटरिंग व्यवसाय) [ ] 4. Buying and selling(खरिद बिक्री) [ ] 5. Entertainment (मनोरंजन) [ ] 6. Construction(निर्माण) [ ] 7. Farming (खेतिपाती) [ ] 8. Others (specify) (अन्य भए निर्दिष्ट गर्नहोस्)……				
C7. Why did you decide to become self-employed? (तपाई किन स्वरोजगार हुने निर्णय लिनु भयो?)	1. I have the interest in creating my own job (मलाई आफै काम सिर्जना गर्न मन लाग्छ) [ ] 2. It is difficult to find a job (रोजगार प्राप्त गर्न कठिन छ)[ ] 3. There are no jobs (रोजगारीको अवसर अभाव)[ ] 4. I cannot work for anyone (म अरुकोलागि काम गर्न सक्दिन) [ ] 5. I want to have time for myself and family (म आफ्नु र परिवारको लागि समय दिन चाहान्छु) [ ] 6. Other (specify) (अन्य भए निर्दिष्ट गर्नहोस्)……				
C8. How did you raise your startup capital? (स्वरोजगारीको लागि तपाईले पुँजी कसरी व्यवस्थापन गर्नुभयो?)	1. Personal savings (व्याक्तिगत वचत) [ ] 2. Provided my parents (आमाबुबाबाट प्रदान) [ ] 3. Provided by friends (साथीभाईबाट प्रदान) [ ] 4. Provided my relative/guardian(आफन्तबाट प्रदान) [ ] 5. Loan from the bank/other financial institutions(वित्तिय संस्थाहरुबाट ऋण) [ ] 6. Other (specify) (अन्य भए निर्दिष्ट गर्नहोस्)……				
Unemployed					
C9. If you are unemployed, are you actively seeking a job at the moment? (यदि तपाइँ बेरोजगार हुनुहुन्छ भने के तपाइँ यस समयमा सक्रियतापूर्वक काम खोज्दै हुनुहुन्छ?)	1. Yes [ ] (खोज्दैछु)	2. No [ ] (खोज्दै छैन)			
C10. How long have you been looking for a job? (कति समयदेखि तपाईं जागिर खोज्दै हुनुहुन्छ?)					
C11. What type of job have you been searching for? (के तपाइँ तपाइँको प्राथमिकता	1. Manual job [ ] 2. Clerical job [ ] 3. Technical job (प्राविधिक काम) [ ]				

अनुसार निम्न रोजगार कोटिहरु दर्जा दिनुहुन्छ?	4. Administrative job (प्रशासनीक काम) [ ] 5. Managerial job (प्रबंधकीय रोजगार)[ ] 6. Others(specify) (अन्य भए निर्दिष्ट गर्नहोस्)……
C12. Why do you think you are not getting a job? (तपाईलाई किन काम पाउँदिन जस्तो लाग्छ?)	1. I do not have the requisite skills for the job (मसँग कामको लागि आवश्यक सीप छैन) [ ] 2. I do not have the social networks to get me a job (जागिर पाउन मसँग सामाजिक नेटवर्क छैन) [ ] 3. I do not have the required experience for the job (मसँग कामको लागि आवश्यक अनुभव छैन) [ ] 4. There are no jobs available (यहाँ कुनै रोजगार उपलब्ध छैन) [ ] 5. Others(specify) (अन्य भए निर्दिष्ट गर्नहोस्)……
C13. If no(C16), why are you not looking for a job? (यदि होईन भने, तपाईं किन अर्को काम खोज्दै हुनुहुन्न?	1. I want to further my education (म मेरो पढाई अगाडि बढाउन चाहान्छु) [ ] 2. I am tired of looking for a job(म जागिर खोज्दै थाकी सके) [ ] 3. I am not interested in working(मलाई काम गर्नमा रुचि छैन) [ ] 4. I want to travel out of the country to work(म देश बाहिर काम गर्न चाहान्छु) [ ] 5. Other (specify) (अन्य भए निर्दिष्ट गर्नहोस्)……..

Section D: Family Background/ Job Search Intensity/ Social Network/ Student Internships

(परिवारिक पृष्ठभूमि/रोजगार खोज तीव्रता /सामाजिक नेटवर्क /विद्यार्थी इन्टर्नशीप)

D1.Which topic describes your family occupation? (तपाईंको पारिवारिक पेशा के हो?)	1. Agriculture (कृषि) [ ] 2. Business (व्यापार) [ ] 3. Service Sectors(सेवा क्षेत्रहरु) [ ] 4. Others(specify) (अन्य) ……				
D2. Which of these describes your family income last year? (तपाईंको गत वर्षको पारिवारिक आम्दानी तलको मध्ये कुनले देखाउँछ?)					
D3. Which following categories describe your family assets? (निम्नलिखित कुन परिमाणले तपाईंको पारिवारिक सम्पत्तिलाई देखाउँछ ?)	1. Less than 25 lakhs (२५ लाख भन्दा कम)[ ] 2. 25-50 lakhs (२५-५० लाख) [ ] 3. 50 to 100 lakhs (५०-१०० लाख) [ ] 4. 100-150 lakhs (१००-१५० लाख)[ ] 5. 150-200 lakhs (१५०-२०० लाख)[ ] 6. 200 lakhs and above (२०० लाख र बढी) [ ]				
D4.Do you agree job search intensity helps to find a job? (के तपाईं काम खोज्ने तत्परताले काम भेट्न सहयोग पुग्छ भन्ने कुरामा सहमत हुनुहुन्छ?)	Strongly agree (पूर्ण सहमत)	Agree (सहमत)	Neutral (तटस्थ)	Disagree (असहमत)	Strongly Disagree (पूर्ण असहमत)
D5.Have you sent out any applications? (तपाईले कुनै रोजगारीको लागि	1. Yes (छ) [ ] 2. No (छैन) [ ]				

आवेदन भर्नु भएको छ?)					
D6. How many job applications have you sent out so far? तपाईले हालसम्म कतिवटा आवेदन भर्नुभयो?					
D7. Do you agree social network plays an important role to find employment opportunities? (के सामाजिक सम्बन्धले रोजगारीका अवसरहरु प्राप्त गर्न महत्वपूर्ण भूमिका खेल्छ भन्ने कुरामा तपाई सहमत हुनुहुन्छ?	Strongly agree (पूर्ण सहमत)	Agree (सहमत)	Neutral (तटस्थ)	Disagree (असहमत)	Strongly disagree (पूर्ण असहमत)
D8. Which of the following networks are you related with? (निम्न नेटवर्कहरू मध्ये तपाई कुन कुनसंग सम्बन्धित हुनुहुन्छ?	1. NGO/INGO(एनजीओ र आईएनजीओ)[ ] 2. Political parties (राजनैतिक दलहरु)[ ] 3. Lions club(लायन्स क्लब)[ ] 4. Red crass(रेड क्रस)[ ] 5. Tole bikas(टोल विकाश)[ ] 6. Others (अन्य) (Specified……)				
D9. What is the size of your friends and relatives who can help you to find employment opportunities? (तपाईका साथी र आफन्तहरू कति जति छन जसले तपाईलाई रोजगारीका अवसरहरू खोज्न मद्दत गर्न सक्छन?	1. Less than 25 (२५ भन्दा कम) [ ] 2. 25 to 50 (२५-५०) [ ] 3. 50 to 75 (५०-७५) [ ] 4. 75 and above (७५ वा त्यो भन्दा बढी) [ ]				

Section E: Suggestion

E1. Are you satisfied with the government policies related to youth unemployment? (के तपाईं युवा बेरोजगारीसँग सम्बन्धित सरकारी नीतिहरूबाट सन्तुष्ट हुनुहुन्छ?)	1. Yes (हो)[ ]	2. No (होईन) [ ]
E2. Do you have any suggestions to reduce the problem of graduate unemployment? (तपाईसँग स्नातक बेरोजगारीको समस्या कम गर्न कुनै सुझाव छ?)		