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## MUTUAL EXPECTATIONS OF EMPLOYERS AND EMPLOYEES AS A FACTOR AFFECTING EMPLOYABILITY

Marika Lotko<sup>a\*</sup>, Ilvija Razgale<sup>a</sup>, Lolita Vilka<sup>a</sup>

<sup>a</sup>Rīga Stradiņš University, Department of Welfare and Social Work, Dzirciema iela 16, Rīga, LV-1007, Latvia



### Abstract

Employability of youth is a complex issue that involves social, economic, educational, health and other aspects, including preparedness of young people for working life. The issue of the mutual expectations of employers and young people as employees has not been widely studied in Latvia. This study highlights the main problem areas: mutual harmonization of expectations regarding the culture in the work environment; conditions in the work environment, technology, innovation, competences, financial resources, as well as young person's capacity and harmonization of personal goals with the employer's aims. In Latvia, at the end of 2014, there were 9351 young unemployed people between 15-24 years old. The problem of unemployment can be associated with a number of factors such as young people's poor health; inadequate accessibility of health care; lack of assistance in improvement of wellbeing; difficulties with housing; poverty; young people's lack of skills and competences and preparedness for working life, as well as other employability aspects, such as cooperation between a young person as an employee and the employer, as well as the disjunct between their mutual expectations. The objective of the study was to study the mutual expectations of the employer and a young person as an employee. The main findings of the study reveal the major problems in this field which relate to the non-fulfillment of mutual expectations in the working environment, work conditions, IT, innovations, competences, financial resources and personal capacity of the youth, as well as the coordination of young people's personal aims with employers' priorities and requirements.

*Keywords:* Youth, employability, unemployment

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\*Corresponding author.

E-mail address: marika.smirnova@gmail.com

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## **1. Introduction**

Thijssen et al. (2008) emphasizes that the employability began to be empirically studied in the 90s, although the term itself was already used from about 1955. The notion of employability has been studied in different disciplines; in business, psychology, social work and education (Thijssen, van der Heijden, & Rocco, 2008). Bernston et al. (2006) states that education and training are the most important investment in the development of human individual capital. Human capital can develop as a result of working experience, formal education and competence improvement, thus being beneficial to the society in general in different ways, such as increase in wages, health improvement and better products (Bernston, Sverke, & Marklund, 2006).

Nevertheless, Bernston et al. (2006) defined education and training as the cornerstone in the development of human capital. However, there exist internal and external barriers as defined by McQuaid and Lindsay (2005) which affect the employability of job seekers and employees. These include such employability components as the elements of offer and demand and the internal factors – the amount of individual transferable skills; an individual's internal motivation to look for a job; access to information and support networks; the number of personal barriers and work specificity (McQuaid & Lindsay, 2005). The external factors also include employers' attitudes towards the unemployed; provision and quality of education and training; access to assistance for job seekers who are in unfavourable positions; the extent to which the tax benefit system successfully avoids the benefit traps and most importantly, the extent to which the job corresponds to personal well-being and quality of life issues.

In Latvia, the term “employability” is comparatively new. This term only began to be used in 2010, and its meaning was explained in the conference “Progressive Approach to the Employment Promotion” by the State Employment Agency where it was specifically explained as a person's ability to get, maintain and acquire a new job if necessary (Egle, 2010). With regard to the traits deemed necessary to get, maintain and acquire a new job, McQuaid and Lindsay (2005), on the basis of their study, have established characteristics that comprise basic social skills such as honesty and integrity; ability to present oneself professionally; reliability; readiness to work; understanding one's actions and the consequences; displaying a positive attitude towards work and a sense of responsibility and self-discipline. Additionally, such features as productivity, diligence, confidence, motivation, reasoning, initiative, self-confidence, and the ability to be independent are also mentioned.

In the list presented, the following basic professional skills are posited as being the most essential: writing, calculation, communication skills, document execution, argumentation, problem solving, adaptation, coordination of the working process, teamwork,

time management, functional mobility, basic information and communication technology skills, as well as emotional and aesthetic client service skills (Egle, 2010). Obviously, relevant qualifications, as well as professional knowledge related to corresponding skills and work experience are crucial. What is more, it is vitally important to be attached to the labour market, which, in the assessment of a person's work history, is determined by the length and frequency of unemployment.

Presti and Pluviano (2015), summarizing the definitions of "employability", offered by different theoreticians, define "employability" as personal resources which are developed by an individual during the work experience to enhance his/her career growth, which extends the meaning of employability orientation to include the attempt to understand the previous work experiences and look forward to the development of a personal professional future, while acquiring valuable competences and skills by improving his/her formal and informal work-related networking and obtaining knowledge of their social environment in order to find opportunities and limitations in the career growth (Presti & Pluviano, 2015). The authors claim that such a definition emphasizes that "employability" is a process in which, as a result of one's experience, a person develops specific work-related behaviour, envisaging, that he/she will be motivated to improve the internal and external aspects of employability.

The authors of the study use the following umbrella term for the above-mentioned factor, which is "mutual expectations of employers and employees", which, in turn, is closely related to the work culture. It directly affects the current and future cooperation between the employer and the employee, as well as the wish of both parties – employee on one end – to *accept* work and the employer on the other end– to *hire* the employee. The expectations gap is the phenomenon which can be a factor of an employee's negative experience. Besides that, the employer's inadequate offer, consequently, may affect the employee's motivation and the decision to *accept* the offered job.

Hence, in order to characterize the employer-employee relationship, including mutual expectations, the term "work culture" is used, but additionally, in order to determine the mutual interaction of the employer and the employee, several associated terms such as "corporate culture", "organizational culture" are used which, in fact, determine and include similar and inter-related parameters describing the work culture. Dauber et al. (2012) view the organizational culture as one of the most essential factors to analyse different aspects of an organization. The authors emphasize that organizational culture is rooted in the theory of culture pointing out that organizations need to have values, norms and regulations accepted in society and which ensure social and financial survival (Dauber, Fink, & Yolles, 2012). Ghosh and Srivastava (2014) characterize organizational culture as a system with uniform values,

norms, perspectives, behaviour and practices, which result in the need for certain organizations to create meaning for the organization's work and for the employees themselves (Ghosh & Srivastava, 2014).

In organizations, people emphasize and act according to their value preferences, which depict how they prioritize activities, estimate others and events. These facts help mark the differences between, for example, the state and the private sectors (Dauber, Fink, & Yolles, 2012). The work culture in an organization is considered to significantly affect organizational efficacy, while the work culture itself is influenced by both internal and external factors. According to Ji-Young An et al. (2011), the term "work culture" includes a combination of all factors including the employees' views, values, behaviour models and assumptions (An, Yom, & Ruggiero, 2011).

As mentioned earlier, McQuaid and Lindsay (2005) identified such individual or personal factors as honesty, fairness, reliability, the wish to work, positive attitude to work, responsibility, self-discipline, diligence, motivation and problem-solving as influencing employers and the employees' working relationship or work culture. Knight and Yorke (2003) summarizing different authors' opinions on young employees' personal qualities state that employers expect their new colleagues to be knowledgeable, smart, motivated to learn, possess good communication and good team-work skills, as well as work under stress, display initiative, tolerance, and so on (Knight & Yorke, 2003).

As the discussion above has highlighted, work culture pivots largely on personal factors involving interaction between people which, in turn, triggers certain expectations regarding each other. Depending on the environment of the interaction and the context, involved sides have certain expectations between the expected activity and the related behaviour, attitude, and skills. The existence of expectations is limited by formal phenomena, such as the requirements stated in the employment contract, the internal regulations of the organization and the etiquette, as well as informal requirements such as mutual collegial relationship and an understanding of the strategies involved to undertake activities in various situations.

When entering into the employment relationship, the employer and the employee would have mutual expectations. The employer expects an employee to possess certain attributes, skills, and experience. On the other hand, employees have certain expectations regarding their employers, such as the provision of satisfactory working conditions, adequate remuneration for the work done, open communication channels and so on.

## 2. Problem Statement

Youth employment is an issue of great national concern in Latvia. Since 2012, the European Commission's recommendations to Latvia have repeatedly pointed to the need to take measures to increase the employability of young people. Hence, in order to prevent youth unemployment and its negative long-term consequences, the Council Recommendation in the 2015 National Reform Programme of Latvia (2015) states that within the period of 2015-2016, Latvia needs to take concrete steps to reform social assistance ensuring adequacy of benefits, and take measures to increase employability (Council Recommendation on the 2015 National Reform Programme of Latvia and delivering a Council opinion on the 2015 Stability Programme of Latvia, 2015).

In Latvia, extensive studies are lacking in the field of employability, except for recently conducted research on "Economically Active Population Employability Improvement in Latvia" ((2013) with the support of a grant (ESF, LBAS 2009/ESF-15-7-23).

However, an understanding of employability is attributable not only to aspects of education and knowledge. Employability, as already established in the earlier discussion, is a broad term that encompasses many factors, such as work culture, resources and social capital. McQuaid and Lindsay (2005) claim that employability includes such components as individual factors, personal circumstances and external factors. Employability should be viewed from several aspects which include bilateral employer-employee relationship which can be interpreted in terms of expectations. These expectations include the responsibility of employers to offer facilities that support and/or improve the individual worker's employability. Employees, on the other hand, are expected to be ready and capable of using these facilities and to take responsibility for career choices (Thijssen et al., 2008).

Vilka and Pelse (2012) in their study "Deficiency of employability capacity" conclude that the integration of young people in the Latvian labour market has a serious obstacle – "expectation gap" which refers to the difference or deviation between mutual expectations. According to the research in this area, the employability "expectation gap" is characterized by a range of factors including the following (Vilka & Pelse, 2012):

- lack of the individual factors of employability in young people,
- employers' focus on individual employability factors such as priority for personnel selection,
- a difference in perceptions of work by young people and employers,
- different objectives in the employment relationship for instance, employee focus on salary, while employers subordinate concerns about the salary to the individual

personality qualities such as ambitions, sense of responsibility, good attitude and loyalty to the employer, etc. Such quality requirements by the employers though, remain unclear and ill-defined for instance, “the right attitude towards work”, which often justify their reasons for not paying higher salaries,

- employers have the general stereotype of young people being not mature enough for serious employment relationships, not serious, not responsible and hardworking enough (a widespread view among the mid and older generation), so employers often do not trust young people,
- strong ambitions and boldness of young people, that, from the point of view of the employer, are often not justified by the requisite knowledge and skills,
- employers are focused on hiring experienced workers, tending to ignore the fact that young people lack work experience,
- employers tend to focus on the lack of skills rather than the inherent advantages of young people such as ambitiousness, boldness, as well as skill and knowledge resources they certainly possess, for example, young people's familiarity with IT from elementary school making them much more knowledgeable about IT compared to many of the older generation of employers, working in very important sectors.

This disjunct between the mutual expectations affects young people's employability and consequently, their position in the labor market. In Latvia, youth unemployment is one of the topical problems which leads to other social problems and increases the risk of social pathologies, as well as migration. The National Employment Agency (2014) reported that there were 9351 unemployed youth at the end of 2014 in Latvia. Unemployment can be linked, though not directly, with bad health, due to limited access to health care and housing, and in some cases, even poverty.

A report published by the University of Latvia (2007) titled “Professional Mobility of Workforce” stated that one of the most common causes of youth unemployment and employability is interruption of studies, for example, acquiring only elementary education, or not even accomplishing that. This factor, in turn, affects young people's chances for further professional education and their position in the labour market. The researchers of the above mentioned study concluded that the educational qualifications of the youth in question are insufficient or inadequate for market requirements. Due to that, these youth also lack professional skills (The review of Latvian University, 2007).

The study “Young people in the Labour Market: Analysis of the Factors Influencing the Situation and Employment” (2007) showed that, in general, the main characteristic features of young people are persistence and ambitiousness. However, young people are not aware of their weaknesses and set high demands for work conditions and remuneration.

In order to rectify this issue, it is essential to identify the factors that can describe and create a group profile. The first factor is age, as it is the basis for gathering statistical data about the group, especially in relation to education and employment. The second factor is the definition of the group, which varies in different countries due to specific socio-cultural, institutional, economic and political factors. The United Nations Educational, Scientific and Cultural Organization (UNESCO, 2015) defines “youth” as the transitional period from dependent childhood to adult independence and understanding the interdependence of the individual as a member of the community. Therefore, the term “young person” is attributed to individuals between the age at which they complete compulsory education and the age at which they find their first job. With the increase in unemployment rate and costs, the age when a person is considered a “youngster” has changed, and even increased, leaving many young people in long-term dependence on other people’s support.

There is no uniform definition of youth among European countries. The indicators chosen by Estonia are primarily based on Estonian official statistics, as well as the indicators, acquired from direct studies, using different data collection methods. The collected data mainly included information about young people from 7 to 26 years of age. The regulations of the Republic of Lithuania state that the youth fall between 14 to 29 years of age. However, in Latvia, according to the Law on Youth (2008), a youth is a person from 13 to 25 years of age (Latvian Republic legislation, 2008).

### **3. Research Questions**

The authors of the current study focused their attention on identifying the mutual expectations of employers and employees as a factor affecting employability. The research question was formulated as follows: What are the expectations of youth as employees and of employers regarding their (young) employees? When entering into an employment relationship, the employee will definitely have certain expectations of the employer and vice versa.

### **4. Purpose of the Study**

The mutual expectations of the employers and employees will help unravel the complexities surrounding the compatibility of employer - employee expectations, which,

eventually, will allow employers and employees to circumvent potential risks of interaction and align the parameters of the relationship to be mutually beneficial to both parties.

## **5. Research Methods**

The present study was conducted as a part of a research project titled EKOSOC-LV “Social and Political Trajectory of Latvia in Post-crisis Period” conducted within the framework of the National Development Program. The research design was qualitative in approach based on obtaining data through semi-structured interviews. The aim of the interviews was to find out how the “expectation gap” is manifested in employers and young people as employees. Interview questions were developed by the researchers themselves and approved by the EKOSOC-LV research project coordinator Associate Professor Feliciana Rajevska and the project coordinator at the Rīga Stradiņš University Associate Professor Lolita Vilka. Prior to the study, the interview questions were tested and revised with 3 young people who were employed at the time of the study. The interview comprised 9 questions touching on the job experience, the relationship with the employer, and their vision of the ideal employer and employee.

Respondent employees were asked about their previous or current job, their experience with an employer and if they have a formal employment contract. They were also asked to describe an ideal employer; expectations of their current employer; the required knowledge and skills to perform work, and other related questions. Employers, for their part, were asked to describe their experience in the recruitment of young people; the education of candidates for the position; their expectations of the employees, existence of formal employment contracts, and whether they would like to work in their own organisation.

The study involved young people aged 18-25 (hereinafter - the employees). The employees sample was selected based on the following criteria: corresponding age group and work experience, irrespective of the sphere they work in, their education and minimum work experience at one workplace. In total, 16 young people (10 female and 6 male ) and four employers (3 female and 1 male ) were interviewed. The young people were interviewed, based on availability. The employees had different work experiences and job positions such as, a shop assistant; consultant in cosmetics firm, a manager; office manager in a research institute; a client service specialist; a spatial planner; a dental nurse/assistant, and a ticket collector in the cinema.

The employees had also different educational qualifications: from elementary education up to Master’s degree. The qualifications ranged from a Master’s degree in spatial planning; a Bachelor’s degree in culture and social anthropology; uncompleted undergraduate



studies in social work and natural science; secondary school education; elementary education; vocational education; and uncompleted vocational education. Vocational education was found in the following professions: a client service specialist; a cook, a carpenter's assistant, and a secretary. Three of the employees were not employed the time of the interview; one was working "unofficially" without any work contract, and twelve respondents were officially employed.

The employers sample were selected according to the following compatibility criteria: they work at the state, municipal, private firms/institutions, coordinate and organize selection of the employees, impose criteria for potential employees in respect to the job, participate in candidate selection, and supervise the work of employees. All in all, 4 employers were interviewed. The research was conducted from May till July 2015.

## **6. Findings and Discussion**

### *6.1. The view of employees*

Characterizing the last work experience, the employees admitted that they had been in different job situations – from the necessity of having specific skills to complete particular tasks, to the necessity to solve unforeseen problem/situations. Those young people, who dealt with customers, and had to solve various problems and provide service, emphasized the necessity to be kind and responsive in working with clients. The employees had different perceptions of their work experience – ranging from positive to negative. One of the employees said that the employer used to organize joint events to consolidate the staff:

*"I evaluate the experience positively; the acquired skills are valuable in the organization's management. Positive attitude, the staff gets encouragement..."*

In characterizing negative work experience, some of the employees mentioned that the employer would inflict his/her mood swings on subordinates. 3 respondents mentioned that the employers had used the following: paying a lesser wage than agreed in the contract; not providing adequate pay for the work done; imposing long work hours (11-13 hours per day); and, in one situation, when the employer told the employee to choose between coming to work when ill, or quitting. One employee said:

*"As a cook I have to work 12-13 hrs a day in order to earn something that is why I can say, that... While you are young a cook's or waiter's job suits almost everybody, but as*

*the time goes by, you understand that the more you work for somebody, the more you spend your life for somebody else not for yourself..."*

In describing their work duties, the employees responded that their duties were aligned to the position held such as:

*"answering telephone calls in a foreign language, writing e-mails and dealing with clients' problems, paperwork, management, and experience with cash registers where the codes of goods have to be entered..."*

The employees were also asked to describe their capabilities, skills and knowledge which could support their recruitment. The employees had to name different features, skills and knowledge which they possess, and which might be especially useful and encourage the employer to hire them, such as ability to work with a cash register; computer skills; good communication skills; language skills and personal features such as honesty; helpfulness; kindness; cooperation; trustworthiness and orderliness. In this context, the employees could also distinguish lack of certain skills like inability to use foreign languages.

The analysis of the results enabled the discovery of the relationship between how the employees present their knowledge, skills, features, and what kind of staff they would like to have, if they themselves were the employers. The interviews revealed that employees would like to see the following qualities in their potential employees: trustful; responsible; diligent; ready to learn and share their talents; good time management skills; a positive attitude to clients/customers; a high working capacity; able to think logically and draw conclusions; flexible; oriented to achievements and perfection; loyal; constructive; respectful; patient and able to react well to different situations. Employees also indicated that the employee has to behave with dignity toward the employer and the place of work.

When characterizing the features which the employer should have, the employees formulated their responses, considering their own work experience:

*"Supportive attitude; helpful in difficult situations; positive attitude; ambitious; constructive; enthusiastic; with good communicative skills; able to understand a new employee's position; understand and accept the idea that an employee can make a mistake; assess the subordinates in a respectful manner..."*

It is interesting that the employees put greater emphasis on the employer's human attributes – understanding, supportive, positive, and honest. They also indicated that the employer should listen to the employee's ideas and opinions to strive for improvement. Minimal emphasis was placed on the formal side of recruitment – social guarantees and the work contract. Only one employee, who, at the time of the interview, was working unofficially (without the formal work contract) mentioned that in order to solve his financial situation, it would be important that the employer:

*"pays for social guarantees, health insurance, be allowed to go on leave..."*

All in all, the employees expect the following from the employers:

*"Positive and understanding attitude, possibility to consult, instructions and warnings about the possible risks, training, growth opportunities..."*

*"Mutual understanding and positive attitude in difficult situations, because the employer's stress impacts on the employee's work..."*

*"Knowledge, pleasant communication and ability to cooperate..."*

Only one of the employees mentioned that she was:

*"expecting to have a higher remuneration from her employer..."*

On the whole, the employees reported that they had a positive work experience and were satisfied with their work. Single employees would have liked to have social guarantees and higher remuneration. The employer's personal features and work culture, in the employees' opinion, were more important than the formal side of the work provision.

## 6.2. The view of employers

The employers, as expected, had a different perspective, depending on how many candidates apply for one vacancy. Usually it is from 3 to 10 candidates per position, which in some cases points to high competition. One employer indicated that the ratio of applications to vacancies may differ each time the vacancy is advertised – either there are no applications

at all or there is a considerable number of applications. However, he did not specify a precise number.

Describing the candidates who apply for the announced vacancy, the employers are rather harsh in their evaluation, arguing that the candidates do not always know what they wanted and the candidates fail to pass the criteria because, in a number of cases, applications for the vacancy are formal. The employers also indicated that the employees should have their own vehicles.

Summarizing the information on the employers' experience when selecting the employees, the employers describe their experience differently depending on a sufficient number of applicants. In order to select the best of the candidates, one of them felt that:

*"the employees are not ready enough to put all their efforts to do the work..."*

One of the most significant aspects to be considered when selecting an employee is the level of education, which has to be appropriate for the future position held, followed by the knowledge and skills required in a certain profession, such as IT and language skills. Another topical issue which the employers had to deal with is the employees' harmful habits:

*"A person arrives to work in an intoxicated state already in the first or second time; A person asks for a cash advance in order to get to work next day..."*

In contrast to a portion of the employers who had stressed the necessity for a particular educational level to recruit the potential staff, another group of employers stressed that work experience is more important than education. Additionally, they expected the employee not to have harmful habits and to be disciplined.

The employers interviewed expressed their satisfaction with their present staff, characterizing them as:

*"active; talented; striving to get new knowledge and experience; having a larger work experience; ability to cooperate; empathetic..."*

However, despite the positive aspects which characterize the employees, the negative factors were also mentioned:

*"the employees get stuck into a routine, having no initiative, as well as showing the burn-out syndrome..."*

Characterizing their expectations regarding the employee, the employers mention that they expect that:

*"the employee will have an appropriate education, the wish and ability to acquire the new knowledge; the ability to evaluate the factors hindering the work development, as well as the skill to see the work that needs to be done..."*

As one employer said:

*"the coordination of the employees' and employers' aims has a great importance in a productive working relationship. In a working relationship one should be realistic. Good staff is formed at work. Therefore, to my mind, without the basic skills in a certain field at Bachelor's level +IT, languages, communication skills, general intelligence, the decisive fact is, that the person is ready to improve his/her knowledge, to accept the work as a good challenge..."*

All the employers expect that employees will possess knowledge of the respective field at an appropriate level, including the latest technologies, sequence of procedures, and who will be able to substitute and continue with the tasks of the employee who has quit the job. Additionally:

*"The employee has to be reliable, loyal and trustful..."*

Almost all the employers stressed that they would like to work in their own business/organization. One of the employers also mentioned that the organisation had introduced some measures, which could motivate employees to improve their job performance:

*"Our institution is implementing different types of staff motivation (health insurance, bonuses for high work quality, etc.). So, hopefully, employees will be highly motivated as well..."*

One of the employers admitted that he would not like to work in his own enterprise since he was tired of the work in his own working place.

It appears from the analysis that employers' and employees' mutual expectations are similar: an employee expects a reliable, honest, responsible, welcoming and caring attitude from the employer and vice versa. Describing work experience, the youth reveal their

disappointment at inadequate and different (lower) wages than has been stated in the contract, difficulties of agreeing on holidays, non-acceptance of sick leave, and so on.

The study shows that both the employees and the employers expect mutually-related features. The list of these expectations clearly depicts the factors, which have been described by McQuaid & Lindsay (2005) like individual factors, which influence employability: skills and capacities, demographic characteristics, health and welfare, job search, capacity to adapt, and mobility.

## **7. Conclusion and Implications**

Knight and Yorke (2003) state that employed school leavers are characterized by such qualities as good communication and team work skills, critical thinking, problem solving skills, as well as ability to concentrate, work independently and under stress, possess initiative, and tolerance. The above mentioned opinion has been also confirmed by this study through the responses of employers and employees interviewed. Application of any classification to the above mentioned skills and capacities poses an important question as to whether at the stage of formal education one is able to acquire these skills and capacities. Certainly, there are a number of skills such as language and IT, which can be acquired in formal educational settings. However, looking at the different environments in which people function, it is possible to conclude, that the informal environment, such as friends, and peer groups, also promote the development of certain qualities, for instance purposefulness, problem-solving skills, honesty, initiative, and tolerance which are critical in the workplace.

The comparison of different types of employers, such as private, state, and municipal, revealed the fact that employees' opinions regarding employees did not differ greatly. The expectations of employers regarding employees were the same for those who work with customers on daily basis or organize service provision. Almost all interviewed employers, both in terms of assessing their institutions and enterprises from the perspective of an employee, responded that they would like to work in their institution/enterprise, which shows that employers believe that employees' security in their institution - salaries, social security, and motivational factors - are sufficient for employees to be motivated and satisfied with their work.

This study highlights the following issue: the employer, being an entrepreneur, aims to gain greater profit. Usually these are enterprises which produce a certain product, and there exists a certain regularity: the more you work, the more you earn; the more clients are served, the greater profit received. In production-oriented working places, there are discrepancies between employees and employers' expectations. Employers expect that employees will invest

more time in their work (more than 8-hour workday) and demonstrate a higher productivity but the employers hold back on the promised remuneration. The above mentioned factors would not promote a satisfactory work culture. Employees' experience regarding not receiving the agreed wages highlights a certain aspect of work culture related to employers. There emerges a situation where employees are perceived by the employers as a means only to gain profit. In such a situation, employees will neither display a sufficient level of loyalty nor motivation to work hard since the employee's contribution to the working place is disproportional to the received remuneration.

Employers' high expectations regarding the necessity to have a much wider spectrum of competencies, such as language skills, IT skills and so on, put higher demands on employees. Besides that, such expectations can also lead to stressful situations, which, as a result, can affect not only the work culture, but also the employer - employee relationship and the productivity of an organization in general. On the other hand, it is true that the possibility of getting a job can be hindered by such factors as lack of required knowledge; insufficient language and IT skills; poor knowledge of one's native tongue, and educational level which does not correspond to the respective vacancy.

Employers demonstrate their attitude to the employee by creating an appropriate working environment in order for the employee to feel safe, as well as the provision of the necessary means and tools for work; legal presentation of labour relations, i.e. a contract of employment with remuneration adequate for the work performed, as well as motivational measures, such as bonuses, and health insurance.

The employees with professional/vocational education highlighted certain problems which they had experienced: long working hours (more than 8 hours a day), not being fully paid the promised salary and no possibility of sick-leave. The employees with undergraduate qualifications expressed greater satisfaction with their work, and gave more positive responses in relation to their employers. The respondents with elementary education or secondary education were not optimistic about their future prospects in the labour market since they understood that they did not have sufficient educational qualifications.

Employers impose high demands on the employees. While employees value highly an employer's human qualities, the employers, on the other hand, focus their attention on meeting formal requirements and relevance to the vacancy such as the required educational level, and only then do they refer to employees' human qualities. This reveals the differing stances of the employers' and employees' expectations of each other.

In characterizing the mutual expectations of employees and the employers, it is possible to conclude that employees associate their expectations of the employer with human qualities,

such as honesty, fairness, helpfulness, listening to the employee's opinion and willingness to consider a situation, and a pleasant working environment. Conversely, employers emphasize that they expect employees' will have an appropriate education, IT and language skills, flexibility, personal growth, having their own tools, readiness to work, and mobility. At the same time, employers did not identify a formal presentation of work relationship as being the most essential criteria for a satisfactory working relationship.

The current study highlights the main problem areas: disharmony of mutual expectations regarding conditions of the working environment, technologies, innovations, competencies, financial resources and young people's individual capacities and personal aims with the priorities and requirements of employers.

However, there is one more aspect which employees and employers are not always fully aware of, that is that employment relationships can be viewed from the perspective of the market relationship. This allows for the conclusion that the exchange value which brings together an employer and employee is the employee's knowledge, skills and competences which an employer wants to obtain at the lowest price but at the greatest profit to the organisation.

The summary of the employers' opinions regarding the employees show that employees *"...are not ready to invest much effort...lack willingness and ability to acquire something new....lack ability to assess the factors which hinder the development of work....lack skills to see the job to be done...an employee must be reliable, responsible, and highly motivated..."*, are subjective statements, which allow for wide and loose interpretations. Thus, under these circumstances, an employee will never be perfect enough to meet employer's expectations. Cremin (2009) also points to the problem of the degree of subjectivity in relation to understanding and defining the concept of employability which can be related to his question: "What does an employer want?"

Employers and employees appear to have different interests and objectives with regard to employment. The former want to make a profit and develop their business whilst the latter wish to earn to achieve their goals of life. As one employee lamented, *"...it is essential to understand that the more you work for somebody else, the more you spend your life for somebody other and not for yourself..."*. This is a paradox to some extent because *employers and employees' differing objectives precludes a mutually beneficial joint partnership* and as long as the disjunct between the perspective of the employers and employees exist, the youth of Latvia will be at the losing end in the job market.

High staff turnover as indicated by employers as well as the fact that young people, after negative work relationship experiences, choose to leave Latvia in order to search for work



in other countries suggest that there exists a rather hostile and unsafe labour market environment for young people in Latvia. Youth employment and integration into the labour market is a complex problem of which the mutual expectations of employers and employees is only one of its aspects. After evaluation of the data, it is evident that the “expectation gap” is more a question of a modern work culture where a synergistic working relationship needs to be promoted, which, will in turn, affect productivity. However, this synergistic working relationship needs to be nurtured not only for the well being of employees, but, in the big picture, for the employers as well.

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