

An Analysis of the Involution of Finance College Students

Yaoyang Xia^{1,a,*}

¹University of California Irvine, Irvine CA 92697, USA

a. yaoyangx@uci.edu

*corresponding author

Abstract: More and more finance undergraduates cannot find a job, and even some graduate students are facing difficulties in finding a job. “Involution” which is used to describe any walk of life or everyone who tries desperately to improve himself or herself to increase his or her advantage over others. The industry of finance has a very low threshold for domestic universities, and every university and even the junior college has finance as a major. Therefore, the threshold of financial learning is very low, but the threshold of financial industry is very high, which requires people's professional ability, communication ability and emotional intelligence. As a result, many undergraduates do not meet the requirements of various financial jobs, which leads to the phenomenon of unemployment after graduation. This paper finds out that because of the low threshold of finance and people's limited understanding of finance, they do not know whether they are suitable for this major, so they can make their resume look gorgeous through various ways in the later stage.

Keywords: Involution, Job opportunities, Financial.

1. Introduction

1.1. Background

Nowadays, it is becoming more and more common for college graduates to fail to find a job, the employment pressure is getting heavier and the competition between the same industry is becoming more and more fierce. As the first major that many people choose, the finance major is also facing a situation of inefficiency. A lot of ordinary college students don't know anything about the financial industry, and they have to do everything they can to learn it. Their understanding of finance is that they can make a lot of money, they will buy stocks, they will invest in the market to make money. But the barriers to entry in finance are extremely high and not for everyone. Unemployment is also high in the financial sector. Studies show that students majoring in general business and marketing are more likely to be unemployed or underemployed, meaning they work in jobs that don't require a college degree. They also earn less than students in more math-focused business majors such as finance and accounting.

1.2. Related research

Research detailed analyzes the situation of involution in China, especially focusing on the involution of education. Parents put pressure on their children in order to get a “head start” on their education. However, this head start causes anxiety to others. Involution causes people to pay extra effort for the

same result [1]. Research provides economic analyzes about educational involution. In other words, it analyzes educational involution from a macroeconomic point of view. The author also explains how economic background affects the competitiveness of people. The level of competitiveness relates directly to their level of involution [2]. Chao Zhang denoted the tendency of increasing higher educated graduated students are causing the employment difficulties for most of the fresh graduates and this issue should be tackled from the perspective of society and college students themselves [3].

Yan and Berliner indicated the cultural and social differences are the main reason for rising stress for Chinese international students in North America. They value their research result as a useful and practical information for Chinese students to change their study life [4]. Yu et al. introduced the process of how a Chinese student struggle for figuring out their career plan toward the decision making between stay in the United States and back to China. They included and described the global talents market's competition among university students are growing in a drastic way [5]. Cannon and Arnold provided research of evaluating the values for internship for a business students and appeal to related institution for adding more opportunities of internship programs for business university students so that they can have a better experience for seeking an internship [6].

Research focuses on the introduction of involution and its definition. Furthermore, it investigates the pros and cons of involution and the effects of it. This essay follows the recent news about educational involution and how involution evolved into a phenomenon in China [7]. Research provides an example about the latest policy against harmful competition. Moreover, the focus of it is to provide a personalized experience about involution in graduate school. The author had been through involution herself and provided an objective point of view [8].

Zhang et al. took a study toward the authentic employment rate in China and its distribution in different population groups. The researchers included the specific data of the unemployment rate in different period [9]. Research analyzes involution from a psychological perspective. it provides a psychological analysis of involution and detailed explanation of involution. Moreover, the author also analyzes the theoretical meaning of involution. This research also provides possible solution to ease the involution phenomenon [10].

1.3. Objective

This paper will introduce the development status of business students and existing problems in the development, put forward solutions and give college students some practical suggestions and experience through analysis.

2. Situation

2.1. Businesses are pushing business students to be more introspective by spreading anxiety

As we know, nowadays, more and more undergraduates want to choose business as their major. The reasons are so apparent because no matter where you are, undergraduates are facing huge pressure from society, parents, and peer. They must consider any kind of jobs which can acquire a decent salary. Business, a major always has close connection with money, millionaires, wall street, stocks and real estate. Every undergraduate has a dream that imaging they take occupy in business and make big money to purchase what they want. However, people always thinking business as they watch from TV and internet, which control some important trade or earn a lot of money. They have no idea what business specific work. It is complicated major not only just make money. This results in many undergraduates studying business even if they don't know if business is right for them.

Because of the development of the Internet industry, people can get information simply by swiping a mobile phone to know what is happening in the world. Tiktok, a popular app among college students, spreads anxiety every day, which including about people who didn't go to college and have achieved

wealth freedom by starting their own businesses and buying luxury cars and mansions that ordinary adults can't afford. This greatly increases the anxiety and stress of college students who should be serious about their studies. The increase in anxiety indirectly causes students to be unable to settle down to study and investigate deep academic problems. They may feel that even if they become scientists or academics, there is no immediate benefit, and more titles will not increase their wealth. They only have eyes for money, because of the pressure they face, the college students who are about to graduate are faced with finding a job, buying a house, getting married, money can solve their problems. Business, which sounds like a lucrative job, and it earns a lot of money. So, the overall number of business university students in China is growing steadily every year.

2.2. Business students do everything they can to improve themselves

Many Chinese families feel that they send their children to foreign countries such as the United States, The United Kingdom and Australia to learn financial knowledge, because in their view, the status of overseas returnees has a greater advantage in job competition than ordinary Chinese college students, and they are more likely to be employed by foreign companies. "In the 2013-2014 academic year, the number of Chinese students studying in the US exceeded 270,000, an increase of 16.5% over the previous academic year. The number of undergraduate students continued to increase by 17.9%, reaching more than 110,000, almost the same as the number of graduate students (more than 115,000)." [11]. Most of the students who study abroad will choose two majors, the two most popular major is computer and business, because the computer employment prospects in both the United States or in China is very popular, and the threshold of the business is low. also, People think studying business will make them better to earn money.

In fact, the requirements of business are very complicated, because the study of business mostly involves graduate students, and the admission of graduate students will consider the requirements of internship and various social experience. The increasing number of business students provide many intern positions for many formal financial institutions and brokerage banks. But with more and more students, internships are becoming a must-have experience for business students.

Now mixed internship is too many, many business students even to spend a huge money to purchase a internship, this caused chaos, those who have no internship experience feel anxiety, and then the anxiety spread in business students. Giving the company profit opportunity, through no limit to provide useless internship to earn business students' money.

3. Problems

3.1. Decreased employment opportunities

The employment pressure both at home and abroad is enormous. Data shows that college students are more inclined to take postgraduate exams, because postgraduate education seems to be a must for job hunting, while undergraduate education is no longer enough. Because there are plenty of college graduates flushing into the job market every year. The degree of undergraduate students cannot screen out the needs of enterprises and employers, so more and more people go to graduate school. Because the number of college students who take part in employment continues to increase every year, relatively speaking, there will be fewer and fewer jobs, and the requirements for more jobs are still improving. Because business is a very broad field, involving many positions, such as stock analyst, securities analyst, and counter analyst of various banks. But any number of positions are insignificant in the face of the overwhelming number of business students. It is a very serious problem for business students who want to apply for a graduate student or job opportunities, an essential requirement is that before the internship, but because of the limitations of this major, a lot of learning of the common

economic in undergraduate students is not learn some knowledge about the actual operation, what they learn just some definitions or professional nouns. But these definitions do not help them solve problems on the job, so it is difficult to find internships for them. No company is going to pay you to train you on how to get things done. They're going to want someone who can fill that position right away. Therefore, for business students, the lack of job opportunities and the scarcity of internships have forced them to find ways in more ways than one.

3.2. Paid internships

More and more business students are choosing to buy paid internships when they can't find the right one. Paid internships are when you pay for an internship. Compared with their resume, they are more willing to spend money to buy a position, and then get an internship certificate at the end of the job. With the internship certificate, they can add their internship experience on their graduate application resume. Those looking for a job will also have a better-looking CV, increasing their chances of being hired. But this market is not reasonable for many normal people. If everyone pays for this kind of internship, the whole circle will be messed up. First, they spend money to buy their internship, they may not have the ability to fit for the job, because you will get the internship certificate after you bought this opportunity. so, a lot of people in the internship may not be serious to study the content of the work. Even if get internship certificate, In the future, when he does get a job, he will still do nothing. Second, those who have no conscience enterprise will use this chance to make money, when smell the unscrupulous businesses of the opportunities to make money, they will be no limit to provide internship, even if they are not short of the people and divisions of the company, they will also create a department to get profit. They will also take advantage of college students' need for the internship certificate to bid up the price to make this unconscionable money. Third, it is unfair to those who have neither spent money to buy internships nor have any internship experience. Originally, they are at the same starting line, but because others have bought internship certificates, they will be shunned by others in the way of money, which is unfair. Therefore, the existence of paid internships itself is a mistake. Although some paid internships can learn useful things, they are too many and the institutions are too messy, which will increase a lot of pressure and anxiety for business students overall.

4. Solution

4.1. Prepare ahead of time and know if you are a suitable to study finance

The decrease of job opportunities brings great pressure to college students, which leads to some unhealthy competition. In particular, business college students are paying for internships. College students should compete fairly and learn more about the social status during their undergraduate years. For example, taking part in social practice activities or finding an internship during summer or winter vacation, which does not necessarily require it to be associated with your major. Just for know more about the world outside the school because the society requires college students to learn so much. Many young college students even work without a clear understanding of the basic labor contract. Knowing the social rules in advance can make them more experienced when they enter their positions. Postgraduate entrance examination is not the only way to success. Before entering an industry, we should learn to understand the industry first, and participate in social practice can make up for this shortcoming. At the same time, business students need to be sensitive to business and cultivate their business thinking ability. They should pay attention to international and domestic business news every day and understand the stock acquisition situation of various companies. Prepare every day a little, even your resume looks not so gorgeous, but if the interview stage, it is definitely the interviewer

will understand you have plenty of professional knowledge and understanding of the current situation, it is also a plus, as part of a resume is more or the interview and after you work performance

4.2. Companies should stop offering paid internships

Companies should reduce paid internships or eliminate them altogether. Because paid internships are not formal corporate entry, most of them do not have guaranteed contracts and relevant documents, and companies will not continue to retain interns even if they perform well. Nor do interns learn anything useful from paid internships. These paid internships are expensive, not affordable for ordinary families, and paid internships don't pay students, because the companies know that they don't need a salary, they just need an internship certificate as a springboard to graduate school or a real job. Nowadays, more and more college students who have bought internships at a high price find that the internship experience they "bought" is "not good", and the actual situation does not match the promise of the intermediary is common, let alone the situation that they still cannot find an internship after paying for it. At the same time, Tencent, Meituan, Citic Securities and other well-known enterprises have issued statements that they never cooperate with any third-party agencies and will not charge any fees for the recruitment and job-hunting process, which further rings the alarm bell for college students. Therefore, the best way to do that is to stop companies from offering paid internships at the source. It is not only unfair to other students, but also a marketing ploy to make huge profits by selling useless internships without a lower limit. It is fact that relevant departments can shut down these illegal profit-making companies through legal means, so as to give students a level playing field and let them fight for this job opportunity based on their own ability.

5. Conclusion

After analysis, this paper finds out that the current college students, especially the finance major, have a serious involution and face great employment pressure. Many fresh graduates are unemployed after graduation. Many companies take advantage of college students' desire to boost their resumes by offering lucrative paid internships, most of which don't yield any useful knowledge. Therefore, students majoring in finance can plan their goals in advance and know whether they are suitable for this industry as soon as possible. Not everyone is suitable for finance. Only by planning in advance and exercising in the society in their spare time can they know what they are suitable for.

References

- [1] Li, R. (2021, December 24). *Analysis on the Chinese anxiety of involution from jiwa with the background of globalization*. Analysis on the Chinese Anxiety of Involution from Jiwa with the Background of Globalization, Atlantis Press. Retrieved July 12, 2022, from <https://www.atlantis-press.com/proceedings/ichess-21/125967225>.
- [2] Ding, Y. (n.d.). *Education involution from Economic Perspective*. Frontiers in Economics and Management. Retrieved July 12, 2022, from <https://www.airitilibrary.com/Publication/alDetailedMesh?docid=P20200813001-202107-202107160001-202107160001-205-208>
- [3] Xin, G. U. O., & Nuan, W. E. N. (2012). *Determination index studies on employment difficulties of college students on campus*. Higher Education of Social Science, 3(3), 30-32.
- [4] Yan, K., & Berliner, D.C. (2013). *Chinese International Students' Personal and Sociocultural Stressors in the United States*. Journal of College Student Development 54(1), 62-84. doi:10.1353/csd.2013.0010.
- [5] Wei Li, Lucia Lo, Yixi Lu, Yining Tan, Zheng Lu. (2021) *Intellectual migration: considering China*. Journal of Ethnic and Migration Studies 47:12, pages 2833-2853.
- [6] J. Andrew Cannon & Mark J. Arnold (1998) *Student Expectations of Collegiate Internship Programs in Business: A 10-Year Update*, Journal of Education for Business, 73:4, 202-205, DOI: 10.1080/08832329809601630
- [7] Li, C. (2021, December 24). *From involution to education: A glance to Chinese young generation*. From Involution to Education: A Glance to Chinese Young Generation | Atlantis Press. Retrieved July 12, 2022, from <https://www.atlantis-press.com/proceedings/ichess-21/125967085>

- [8] Xue, L. (2021, December 24). *Educational involution during the Social Transition Period*. *Educational Involution During the Social Transition Period* | Atlantis Press. Retrieved July 12, 2022, from <https://www.atlantispress.com/proceedings/ichess-21/125967324>
- [9] Giles, J., Albert, P., & Zhang, J. (2005). What is China's true unemployment rate?. *China Economic Review*, 16(2), 149-170.
- [10] Kang, L., & Jin, Y. (n.d.). A review of involution and its psychological interpretation. *Filozofia Publiczna i Edukacja Demokratyczna*. Retrieved July 12, 2022, from <https://pressto.amu.edu.pl/index.php/fped/article/view/27972>
- [11] China Education News. (2014). *The number of undergraduates and postgraduates studying in the United States is equal*. *China Education Daily*.