

ABSTRACT

The expansion of higher education in Indonesia has successfully increased the proportion of the educated workforce; however, it has not been fully matched by an adequate availability of high-skilled jobs in the domestic labor market. This imbalance triggers the phenomenon of educational mismatch, which can negatively affect worker outcomes through wage penalties, lower job satisfaction, and human capital inefficiency that may hinder economic growth. This study aims to analyze the characteristics of educational mismatch among higher education graduates in Indonesia and to examine the effects of educational, demographic, job, and spatial characteristics on the probability of experiencing mere vertical mismatch, mere horizontal mismatch, and full mismatch relative to a full match status

This study applies a quantitative method using microdata from the August 2024 National Labor Force Survey (SAKERNAS) published by Statistics Indonesia (BPS). The sample consists of 43,286 working higher education graduates, analyzed using multinomial logistic regression.

The results show that 65.56% of workers experience educational mismatch in various forms, with full mismatch accounting for the highest proportion (27.39%). Higher education level and field of study significantly affect all mismatch categories, with the highest risks observed in Agriculture, Forestry, Fisheries, and Veterinary as well as Information and Communication Technologies. Age and female gender have a significant negative relationship with all mismatch categories, whereas marital status significantly affects only full mismatch. Informal employment status emerges as a dominant determinant that significantly increases the risk of mismatch across all three categories. Regarding spatial characteristics, residing in urban areas is significant only for mere horizontal mismatch, while living in the Java–Bali region is associated with a reduced risk of mere vertical mismatch and full mismatch. Based on these findings, this study recommends aligning university admission quotas with market demand, balancing regional investment outside Java–Bali, strengthening the formal sector, and evaluating curricula in field of study associated with high mismatch risks.

Keywords: educational mismatch, labor market, higher education, SAKERNAS, multinomial logistic regression