Essence of Employability Skills for B School Students in India (With Special Reference to Coimbatore in Tamil Nadu, South India)

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A B S T R A C T

India is one of the largest growing economies. Skill shortage remains as one of the major impediments for the growth of the Indian economy. India is also the youngest country in the world. Employability of the graduates passing out of the colleges and the Management graduates is a cause of concern. Surveys and research by various bodies realize that only 10 to 20 percent of the management graduates are employable. Corporate from across the Industry have the same opinion on the management graduates and are unanimous in type of skills required for employment. Core employability skills, Soft skills, Cognitive skills, Affective skills and Professional skills are some of the major factors that are decisive in the employability of the Management Graduates. The questionnaire was framed mainly by examining the thesis from the previous studies and various journals. The study is descriptive in nature and data was collected by from the Corporate by personal interview, posting the questionnaire on LinkedIn, telephonic interview and postal survey. The data was then tabulated by using ANOVA, Z Test and weighted average method. The study reveals that the students have to improve their Soft Skills, Communication skills, cognitive skills and analytical skills.

INTRODUCTION

There is an old adage that if you want to ensure prosperity for a hundred years, you should start growing people .This adage holds good particularly for a country like India which is keen to take advantage of a favorable demographic profile, and consequently, the availability of a large pool of people in the working group of 16-59 years, to promote a faster and more inclusive growth. Prior to economic reforms, India, as an exporter, was by and large content with exporting raw materials and products with low value edition .The advent of economic reforms, the internet revolution and interdependency, has made the world a global village and opened the flood gates for job opportunities across the globe. The world is flat, connected and has no borders thus creating job avenues, but what is pertinent to note is that the needed skill is scarce. Skill development is critical for enhancing the employability of the growing young population and realizing inclusive growth. In order to enjoy the fruits of demographic dividend and make it the skill capital in the world there is an urgent need to relook at the skill strategy with the market requirement.

According to the 2005 NASSCOM- Mckinsey world Institute Study, over 75 % of the Engineering and 85 % of arts, science and commerce graduates are unemployable. Neither their education is up-to-date, nor do they acquire marketable skills during their three or four years in college. This has implications for factor productivity, employment, and questions the very roots of our education system. In other words the realization of the full potential of the demographic dividend depends on up gradation of the skill levels of the existing and the new entrants to the job market.

New research by the Association of MBAs (AMBA) conducted among thousand graduates from AMBA accredited business schools in 75 Countries in 2012 demonstrates that MBAs continues to open the door for more senior roles and increased earning power.Due to the large protracted economic slowdown there is a shakeout in the B school markets. The growth of the B schools have declined from 33% in 2008-09 to 3% in 2012-13.The MBA capacity in the country hinged on 9-10 growth in GDP,once the growth plummeted to 4-5%.most of the new colleges found no takers. Management education in India is at cross roads. The six new

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IIMs have satiated the growing demand for more seats on the other hand over 3600 B schools have created around 400,000 seats are struggling to fill.

Associated Chambers of commerce and Industry in their report of 30 Jan 13 state that only 10% of Graduates from Indian B schools excluding those from 20 top B schools are actually employable despite the robust demand for MBA's". The quality of education does not meet the needs of the corporate world schools are increasingly losing their sheen in India.

MATERIALS AND METHODS

Evolution of Management education in India:

B Schools in India -Traditionally Knowledge was transmitted informally through the family or caste based community groups. Formal education in business began during the British colonial era. The earliest business education was oriented towards commerce related issues meant to develop clerical and supervisory skills as opposed to managerial and leadership competencies. Most of the clerical and supervisory jobs were administrative centers, so large cities tended to emerge as centers of business education. The medium of education was English and most of the students tended to be from large cities, where the medium was popular at school level. India's first business school - Commercial School of Pachiappa Charities – was set up in 1886 in the southern city of Chennai. In 1903, British government initiated secondary school level commerce classes at the Presidency College in Calcutta, with a focus on secretarial practice/business communication (shorthand, typing, and correspondence) and accounting. The Indian Institute of Social Science founded in the year 1948 as India's first management program with an intention to train manpower to create & spread the knowledge required for managing industrial enterprises in India. Catholic community founded Xavier Labour Relations Institute (XLRI) at Jamshedpur in 1949.

In 1950, the Department of Commerce of the Andhra University Started the first M.B.A. program in India. India's first college level business school was founded in 1913 in Mumbai (Sydenham College),which was followed by another and in Delhi, in 1920, (commerce college) latter renamed as Shriram college of Commerce. These business colleges imparted basic skills about the principles of Trade and commerce to clerks and supervisors from fields such as banking, transport and accounting.

The first Business School in India was Indian Institute of Social Welfare and Business Management, Kolkata, which was established in 1953.The success of B school, depends upon leadership qualities of a person who leads it. Dynamic and effective leadership is a major contributor in the success of B Schools because he or she is expected to lead their subordinates, and the students, inspire them to accomplish the objectives. The brand image of a B school constitute of nine broad dimensions .Admission Procedure, Location, Industry Interface Faculty, Placement opportunities ,Academic ambience, Leadership, brand positioning and sports activities.

A Joint survey by CII – Deloite report on Status of Higher education in India 2013 is of the opinion that lack of individual learning by the students is one of the major challenges faced by the institutes.

Structure of Management Education in India:

To realize the full potential from the resources devoted to management education, all management education organizations have to be brought in line with the governance norms suggested by the group. There are presently six types of management education organizations. These are:

(a) Indian Institutes of Management (IIMs) set up by the Government of India.
(b) University departments of management studies
(c) Colleges (government or private) affiliated to universities
(d) Private or government institutes approved by the All India Council for Technical Education (AICTE)
(e) Private colleges or institutes not affiliated to any universities nor approved by AICTE.
(f) Private colleges or institutes offering MBA courses in India in collaboration with foreign universities, where degree/diploma/certificate is awarded by the foreign university.

Definition; Employability skills:

The shortcomings and lack of skills in fresh graduates is a universal problem and research has been going on for ages. There has been a gap in the supply and demand (Buck and Barrick,1987) analyzed the requirement of employers for entry level positions as a sense of responsibility, self discipline, pride, enthusiasm and team work. Employers also value ability to learn and solve problems; unfortunately these are not being groomed at the college level.

Coopers and Lybrand (1998) define 'employability skills' in terms of four key areas: (1). Traditional intellectual skills – e.g. critical evaluation, logical argument; (2). Key skills – communication, IT, etc,(3). Personal attributes – motivation, self-reliance and 4).Knowledge of organizations and how they work. There are several synonyms - core, key, generic, personal transferable skills, common, work or employment related skills – this is another of the reasons why it is difficult to conceptualize what is meant by employability skills. Added

to that, 'skills' are often referred to as capabilities, competencies or attributes, levels or learning outcomes, thus compounding the sense of confusion.

Employability is not just about students making deposits in a bank of skills (Morley, 2001). Knight (2001) and Yorke (2001) consider the concept of employability to be a 'synergic combination of personal qualities, skills of various kinds and subject understanding'. It is a concept that is much more complex than the relatively restrictive key skills agenda, as focused on by Dearing (1997) which has obscured a greater understanding of employability (Knight & Yorke, 2001). Yorke (2001) also suggests that traditionally, little emphasis has been placed upon a student's personal qualities, but that these could have considerable bearing on a particular student's success.

Majority of the corporate has one common grudge or observation on the fresh graduates, i.e. they are not employable and they have to carry out an orientation program or an induction course for a minimum period of six months. For decades the focus of management was on the "hard "skills that tended to be more job-specific or more closely related to the actual task being performed. Knight and Yorke (2003) describe employability, or "soft" skills, as "a set of achievements, understandings and personal attributes that make individuals more likely to gain employment and be successful in their chosen occupations." Employer surveys show that these skills, although more generic in nature, are the key to effective performance across all job categories. Businesses list communication, interpersonal, and team player skills, along with ethics, creativity, ability to value diversity, responsiveness, and a willingness to change as effective traits in new employees (Buhler, 2001)

Scope and purpose of the Study:

Coimbatore is the second largest City in the Indian State of Tamil Nadu .It is known as the Manchester of the south and an important Educational hub, with five Universities. It has 64 Management Colleges and of late the colleges finding it difficult to fill in their quota of admissions. One of the main reason being, the inability of the students to find suitable jobs after completing this professional program which was once in great demand. The research scholar, from the Corporate background, now a professor in a management college had the opportunity to attend a number of campus placement drives and found that the employability of the students was abysmally low. This prompted the scholar to undertake a research and examine the exact requirement/need of the corporate and in other parlance the employability skills mandated by the corporate from the B School students.

Mode of selection/Entry into B Schools:

The B Schools at Coimbatore follow different method and yardsticks to select the students. The Deemed and Private Universities accept CAT, MAT, XAT or have their own entrance exams, followed by Group Discussion and Interview process. The Colleges affiliated to the State Universities like Anna and Bharathiar, accept the TANCET (Tamil Nadu Common Entrance Test) for the students educated within the State and conduct a common test for students from other states which are mandatory and more of formality. The admission for students through TANCET is through a single widow system and there is no cut off score for the selection and students even with negative scores are admitted if the vacancy exists.50% of the seats is controlled by the State Government of Tamil Nadu and the balance are by the respective managements.

Objectives of the study:
1. To check the employability skills required by the corporate form fresh management graduates.
2. To ascertain the decisive factors that influence the Corporate while selecting a fresh MBA graduate.
3. To ascertain the managerial skills of MBA and non MBA graduates on the basis of attitude.

Research Design:

The research design adopted for the study was descriptive in nature and analyzed by factor analysis as it is essential to explain the interrelationships among the set of items.

Universe:

The research was conducted from across the Corporate who are major recruiters, and sample was collected from different fields like Finance, IT, Retail, Human Resources, Consulting, Insurance, Banking, Hospitality and outsourcing companies.

Sampling Design and Data Collection:

To begin with all the websites of the Colleges, UGC, AICTE, the periodicals like India Today, Outlook, Business Today, AIMA, and Business World of the previous five years were read. The views and survey carried out by NASSCOM, Mckinsey, Boston Consulting Group, Indian Labour Report, ASSOCHAM, FICCI, CII Report-Fore survey on employability were used to collect the secondary data. The Researcher also attended number of seminars on higher education, HR Conclave ,ICTACT Meet ,to interact and get a first hand

information from the Corporate and Academicians .The Campus placement was another area were in the performance of the students and the requirement of the corporate was observed. The Deans and Directors and the alumni also gave valuable inputs. Convenient Sampling was adopted for sampling.

A questionnaire was prepared and posted in the LinkedIn. All the leading Corporate especially those who came for the campus placements to the Colleges were met interviewed, asked to fill in their response and share their views to ascertain the expectations from the students. The questionnaire consisted of 59 items and was administered by the above mentioned ways. The responses to the questionnaire were keyed in and analyzed using SPSS.(Statistical Package for Social Science) The breakup of the item was as follows:-

(a) Recruitment ------ 19 Items
(b) Skill Sets ------- 15 Items
(c) Performance Evaluation/Skill gaps----- 11 Items
(d) Managerial Skills and of MBAs and Non MBAs-----6
(e) Comparison of MBAs and Non MBAs based on Attitude ---- 6

The items related to recruitment, skill sets were developed from the various reviews of literature, and interaction with the HR personnel's at various meetings while the items related to managerial skills and comparison based on attitude were developed from previously developed scales. The HR personnel's were asked to rate the quality of several attributes using an interval, Likert Scale ranging from 1 to 5. The sample size of the corporate is N=103. The period of study was from June 2010 to Jan 2014

Discussion and Results:
Reliability:

Reliability coefficient r =0.804 (Croanbach's Alpha) indicated that the questionnaire was highly reliable. The tools like and Z – Test, ANOVA, Weighted ranking, were used to analyze the data and interpret the results.

Z – Test:
Null Hypothesis:-

Male and Female have, on an average same opinion on the Constructs, Recruitment Variable, Skill set, Performance Evaluation and Managerial Skills and attitude.

Alternative Hypothesis:

Male and Female do not have on an average same opinion on the Constructs Recruitment Variable, Skill set, Performance Evaluation and Managerial Skills and attitude.

Since the comparison is based on two mean values Z test to test the significant difference between two mean values is applied.

Table 1:

Constructs	Gender	Mean	Zo	Significance	Remark
Recruitment Variables	Male	77.6087	0.006	0.995	Not Significant
	Female	77.6250			
Skill Sets	Male	19.7826	0.703	0.485	Not Significant
	Female	20.7500			
Soft skills	Male	15.0870	0.171	0.865	Not Significant
	Female	15.2500			
Performance Evaluation	Male	38.5000	1.294	0.202	Not Significant
	Female	42.0000			
Managerial Skills	Male	19.4783	0.103	0.918	Not Significant
	Female	19.6250			
Basis of Attitude	Male	20.6304	0.724	0.472	Not Significant
	Female	21.3750			

From the above table (Table Number 1) it is clear that for the constructs recruitment variable, skill set, performance evaluation and managerial skills and basis of attitude the table significance values are greater than 0.05, the level of significance the Null hypothesis is accepted, It is concluded that the opinion between male and female do not differ significantly.

The maximum possible mean score for the recruitment variable is 95 but from the study it averages to 77, which implies that all the decisive factors play a vital role in the selection and employability criteria of the MBA Graduates.

The maximum possible mean score for the Skill Set is 24 but from the study it averages to 19.78 amongst the males and 20.04 amongst the females. It is pertinent to infer that the recruiters look for high level of skill sets which includes core employability skills ,Professional skills, Affective skills ,Cognitive and Technical skills' ,which is essential for their employability.

Soft skill was included as a Separate parameter as this is one skill which every corporate observes keenly. The maximum possible mean score is 18 and from the research it averages to 15, which implies that it is very essential factor to which the corporate look forward to.

The maximum possible mean score for Performance Evaluation is 55 but from the study it averages to 38.5 amongst the males and 42 amongst the females which hovers around average and does not even touch good.

The maximum possible mean score for Managerial Skills is 30 but from the study it averages to 19.4 which is again around the average level.

The maximum possible mean score for Comparison among MBA and Non MBA Graduates on the basis of attitude   is 30 but from the study it averages to 21.3 which are just above the average mark.

From the above analysis based on gender of the corporate it infers that the Corporate concur with the decisive factors of the Recruitment variables and Skill sets but the performance evaluation, and performance based on managerial skills and attitude is merely average.

ANOVA Results:

Analysis of variance is used to test the difference between the groups with different years of experience.

Null Hypothesis:

Respondents belonging to different year of experience have, on an average same level of opinion on the Constructs Recruitment Variable, Skill set, Performance Evaluation and Managerial Skills and attitude.

Alternative Hypothesis:

Respondents belonging to different year of experience do not have on an average same level of opinion on the Constructs Recruitment Variable, Skill set, Performance Evaluation and Managerial Skills and attitude.

Table 2:

Constructs	Experience	Mean	F	Significance	Remark
Recruitment Variables	Less than 10	78.1579	0.635	0.534	Not Significant
	10-20	76.1053			
	Above 20	78.7500			
Skill Sets	Less than 10	20.7368	0.251	0.779	Not Significant
	10-20	19.8421			
	Above 20	19.0625			
Soft skills	Less than 10	14.8421	0.392	0.677	Not Significant
	10-20	15.0000			
	Above 20	15.5625			
Performance Evaluation	Less than 10	41.9474	2.735	0.074	Not Significant
	10-20	37.8947			
	Above 20	36.8750			
Managerial Skills	Less than 10	20.8421	3.033	0.057	Not Significant
	10-20	19.5263			
	Above 20	17.8750			
Basis of Attitude	Less than 10	21.4737	1.468	0.240	Not Significant
	10-20	20.6842			
	Above 20	19.9375			

From the above table (Table number 2) it is understood that for the constructs Recruitment Variable ,Skill set ,Performance Evaluation and Managerial Skills and attitude the table significance values are greater than 0.05, the level of significance this implies the opinion given on the constructs by the respondents belonging to the different year of experience do not differ significantly. They all concur with the constructs derived from the questionnaire are essential for suitable employment. Based on the level of significance and score null hypothesis is accepted

ANOVA test for corporate under different age groups:

Analysis of variance was also used to find out the opinion of Corporate under different age groups

Null Hypothesis:

Respondents belonging to different age groups have, on an average same level of opinion on the Constructs Recruitment Variable, Skill set, Performance Evaluation and Managerial Skills and attitude.

Alternative Hypothesis:

Respondents belonging to different age groups do not have on an average same level of opinion on the Constructs Recruitment Variable, Skillet, Performance Evaluation and Managerial Skills and attitude.

Table 3:

Constructs	Age	Mean	F	Significance	Remark
Recruitment Variables	Less than 35	77.2632	0.846	0.475	Not Significant
	35-40	77.3846			
	40-45	80.0769			
	Above 45	75.1111			
Skill Sets	Less than 35	19.9474	0.386	0.764	Not Significant
	35-40	20.6154			
	40-45	19.0769			
	Above 45	20.1111			
Soft skills	Less than 35	14.3684	1.086	0.363	Not Significant
	35-40	15.3077			
	40-45	15.9231			
	Above 45	15.2222			
Performance Evaluation	Less than 35	41.0000	1.132	0.345	Not Significant
	35-40	39.4615			
	40-45	36.5385			
	Above 45	37.7778			
Managerial Skills	Less than 35	19.8947	0.607	0.614	Not Significant
	35-40	20.2308			
	40-45	18.4615			
	Above 45	19.1111			
Basis of Attitude	Less than 35	21.0526	0.454	0.454	Not Significant
	35-40	21.1538			
	40-45	20.1538			
	Above 45	20.3333			

From the above table (table number 3) it is it is understood that for the constructs Recruitment Variable ,Skill set ,Performance Evaluation and Managerial Skills and attitude significance values are greater than 0.05, the level of significance this implies the opinion given on the constructs by the respondents belonging to the different age groups do not differ significantly. Hence null hypothesis is accepted.

From the above analysis based on the three tools, it infers that the Corporate concur with the Decisive factors of the Recruitment variables and Skill sets but the performance evaluation, and performance based on managerial skills and attitude is merely average thus leading to mismatch from the expectations of the corporate.

Skill Sets and Traits:

In order to pin point and further narrow down on the specific Skill Sets Weighted average Score was found as to which is the most sought skill. The score for the various skills as given below. (Table Number 4)

The skills and traits that are essential for successful employment were identified from the literature. The respondents were asked to rate the degree of importance on a five point scale with 1-Not Important,2-Somewhat Important,3-Important,4 – Very Important and 5- Extremely Important. The mean for Core employability skills was the highest at 4.48, followed by Soft skills at 4.25, Professional skills ,Cognitive Skills and Affective skills at 4.01 ,3 and 2.8 respectively thus emphasizing the level of importance.

Table 4:

What are the important skills sets that you look for while selecting a fresh MBA graduate?

Skill set	Weighted Average	Rank
Core employability skills:- ,(Integrity ,self discipline, reliability Self Motivated, Willingness to learn, Adaptability, Team Building skills)	4.48	I
Soft Skills :-(Communication Skills ,Adaptability, Presentation Skills, Influencing Skills ,Initiative and Interpersonal skills)	4.25	II
Professional skills :- (Technical skills Analytical skills, logical reasoning, Creativity)	4.01	III
Cognitive skills :- (Knowledge and development of intellectual skills)	3	IV
Affective skills :- (Which deals with emotions, such as feelings ,values, appreciation, enthusiasm, motivation)	2.8	

Results:

The relevant inference drawn from the research is as follows:-

All the recruiters inclusive of their age, experience, qualifications and from across the industry agree that the constructs for the recruitment and skill set are relevant and it meets the requirement of the Industry.

In the recruitment variables willingness to learn and analytical reasoning are the variables that the Recruiter expects in particular. The recent Deloite –CII research, also substantiates that one of the major problems in respect of Management students is their willingness to learn on their own. Students also fail to improve their

analytical skills and it is also pertinent to say that case studies are not a part of the Anna University Semester Exams.

The students per say are not employable from day one and most of the recruiters suggest that they have to conduct additional training program on joining and thus incur additional expenditure and loose valuable time.

The single and most important factor that the corporate opine is lack of talent and soft skills and communication skill in particular. Here the communication skill pertains to speaking and writing in English. The observation raised by the Corporate substantiate the statement as more than 70 percent of students have completed their primary education in their vernacular language and even the ones who have completed their primary education in English medium Schools lack the required skills in communication as the very foundation is week.. It is also seen from the curriculum and syllabus of Anna University and that Corporate Communication as a subject is included only in the first semester.

Very few schools have Industry –Academia interface and the corporate except for Insurance sector are not forthcoming in accepting the students for the summer projects. Many of the students did not have the proper attitude and were not flexible in their approach. They wanted jobs with little stress and were not willing to take up field jobs. This substantiated by the fact that candidates even with negative score in the entrance exam are admitted in the MBA Program.

Career planning has to commence from school itself. Insurance is one sector that goes has scores of jobs and goes a begging. it is primarily because of lack of awareness which is further reiterated that only 20 Percent of the population in India has Life insurance. In order to create the awareness the companies have planned to reach the children in the form of comics.

The number of people who invest in the Capital Market in India are less than ten percent and it is now that some of the schools have started introducing this subject at the higher secondary level. It is also highlighted that only one college in Coimbatore has Share trading laboratory and other colleges the number of students who have demat account and do online trading is less than one percent.

Conclusion:

India is the youngest country in the world. Many of the Multi National Companies are looking to set up and expand their business in India. India Inc is also on an acquisition spree around the globe. Ratan Tata accepted that bulk of their revenues is from overseas. The world will be looking for talent and skills. The B schools have to groom the students to meet the corporate requirements. A greater interface between the two will go a long way in making the MBA graduates employable. Soft Skills, Communication Skills in particular, Analytical skills and willingness to learn and keeping pace with the Industry is the need of the hour.

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Appendix II
Abbreviations
AICTE:-All India Council of Technical Education
AIMA :- All India Management Association
AMBA:- Association of MBAs

ASSOCHAM: - Associated Chambers of Commerce and Industry of India
CII: - Confederation of Indian Industry
FICCI:-Federation of Indian Chambers of Commerce and Industry
ICTACT; - Information and Communication Technology Academy of Tamil Nadu
IIM:- Indian Institute of Management
IJTD: - Indian Journal of Training and Development
MAT:- Management Aptitude Test
NASSCOM:- The National Association of Software and Services Companies
TANCET: - Tamil Nadu Common Entrance Test
XAT Xavier:- Labor Research Institute Admission test