
MANAGEMENT GRADUATE EMPLOYABILITY: ISSUES, CONCERNS AND SUGGESTIONS

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ABSTRACT

Every student dreams of a well-paid job once he receives management degree. But many of the graduates are not able to get employment and those who managed to get jobs are being under paid, even after investing lacks of rupees on their management education. The major reason for this situation is the communication gap between the employer and the student. Employers are looking for the candidates who possess wide range of skills and knowledge. Present research gives some meaningful insights into the issues, concerns related to management graduate employability and provides some suggestions for solving those issues and concerns.

Keywords: employment, MBA, management education, skills and knowledge, job market.

1. INTRODUCTION

Employability can be defined as having a variety of skills, knowledge and personal abilities, chosen career, an understanding of the job market and knowing how to sustain in this job market. The most important characteristic needed for graduates to be employable, involves having the capability to gain initial employment, maintain employment and obtain new employment if required. Employable graduates must not only possess the skills they have chosen to develop, but also possess the skills needed by employers.

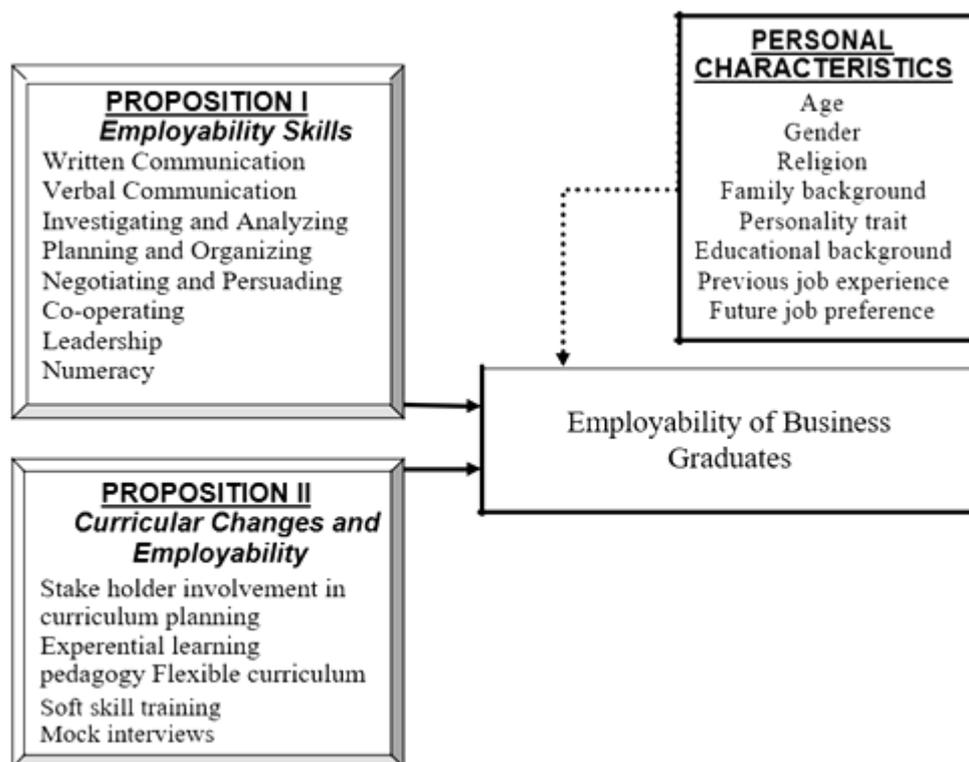


Figure 1: A Conceptual Framework on Employability skills

From the past five years, the number of MBA seats has tripled. In 2015-16, a total of 5,20,000 seats are available for management courses. But only 7% of MBA graduates from business schools, excluding students from the top 20 B-Schools are getting employment immediately after their course completion, after spending nearly 2-6 lakh rupees on their MBA programme. The average salary received by a fresh MBA graduate with no experience is currently getting a monthly salary between 8,000-10,000 rupees. There are at least 5,500 B-schools in the country at present, but around 220 B-schools have closed down in the last two years and 120 or more B-schools are expected to shut down in 2016 due to the lack of quality control, low-paying jobs through campus placement, insufficient infrastructure and poor faculty. An 'Employability Test' has been conducted on 32,000 MBA graduates from 220 business schools across India by Aspiring Minds. The test found that only 10% of those tested had skills that recruiters typically look for while hiring management graduates. Expectations from corporate executives, decision makers have increased tremendously, it is equally imperative to Indian B-Schools to make management education context specific, and also it is equally important to address the various concerns & issues of management education experiencing with time.

2. METHODOLOGY

The article is written based on the secondary data sourced from books, journals, articles, newspapers, interviews and websites etc.

3. ISSUES AND CONCERS

- a) Largely Indian management education is lacking academic-industry interface. Indian Management Institutes are trying to implement the western business education model in some way or the other, but they are failing to fully develop the curricula which is suitable to Indian business environment. Curricula customization, faculty specialization & specific material development are some of the neglected aspects that led to poor quality of management education. Some Indian context specific businesses like Agricultural services, Hospital & NGO Management, Infrastructure Management etc. need customized curriculum and teaching methods.
- b) The Institute's major goal has become increasing & filling up the seats and recovering their return on investment as soon as possible, subsequently the placement has become a marketing stunt. The institutes are not focusing upon developing right skills, knowledge and abilities (SKA) of the students which can make the students capable of getting and retaining a job.
- c) The management graduates are aiming for higher salaries and targeting multinational companies which are offering higher salaries ranging from 3-12 lacks per annum, without understanding the requirement of desired skills with appropriate experience. In reality, a fresh management graduate with no experience is being offered a package of 1.0 to 1.8 lakhs per annum after investing lakhs of rupees on their management education.
- d) Management graduates considering management degree as a passport to seek a good job in the corporate world, and they are treating MBA qualification as a status symbol. In recent days, candidates those who are not able to get a job or placement in their under graduation are joining management programs. They are focusing more on the placement and packages rather focusing upon their employability skills.
- e) Majority of the students joining management courses in India do not have work experience, unlike the west wherein majority of students have work experience, which is vital for understanding basic concepts of contemporary business environment.
- f) The companies today looking for jack of all trades who can handle implicit and immediate business problems. In this globalized, liberalized and technically advanced environment, the demand for techno savvies has increased tremendously, but students are depending on technology rather than using it as a competency.

4. SUGGESTIONS

- a) B-schools must provide deep knowledge in the subject core areas, and also expose students to important literature and should link their curriculum to changing industry requirements. So that the Industry benefit from the expertise and knowledge gained by the management institutes and the management institutes benefit from the industry exposure and field experience through internships, projects, seminars, workshops and guest lectures etc.
- b) Sector and Industry wise skill requirements must be outlined and communicated to students which helps students in choosing a particular career path. The employers, industry and academic bodies like ASSOCHAM, FICCI, CII, NASSCOM, NSDC and AIMA etc. need to communicate in clear terms to the management institutions what are the specific requirements in terms of employability skills.
- c) Management education needs an accountable and committed behavior which comes from theoretical knowledge and corporate work experience. The institutes must give preference to the candidates with work experience while giving admission. This will make classroom learning dynamic and teaching more practical.
- d) The graduates should aware of the job market, the available employers in the market for his interested profile, so that he can explore employer needs and requirements and salary& benefits according to industry standards. This will prepare candidates mentally for the offers they are going to receive once they graduate.
- e) The management course generally provides six weeks internship. This should be extended to one semester if possible as it gives more insights into the practical work environment and this will help the graduates to modify their personal habits in relation to job world. The graduates should be encouraged to visit more and more industries to fetch the major professional practices through observation.
- f) Usage of technology in education will help in network building, global communication and information sharing, exchange of ideas etc. This can be done with video conferencing, blogging, chatting, web surfing and social media websites such as Facebook, LinkedIn, Google+, this will help graduates to update them on the current trends and requirements worldwide.
- g) Psychometric test such as MBTI and BIG FIVE tests and NLP techniques are very useful in analyzing student personalities which can provide detailed and systematic inputs for modelling desired behavior.
- h) The statutory bodies should make policies which encourage industry and academia collaboration. As Institute-Industry interface is essential for any b-school, Institutes should interact with industry regularly, and industry also should provide opportunities for students, researchers and faculty to study employment related issues and concerns.

5. CONCLUSION

Employability skills are teachable in educational institutions and employment settings. Institutions and Industry should take proactive role toward developing lasting employability. Curriculum and materials for teaching employability skills should developed and used. The ability to reason and make sound decisions has become crucial for employment, recent days' employers are looking for the candidates who possess wide range of skills and knowledge. Students should be familiarized to work in the real work environment during their studies. Above mentioned suggestions help in bridging the gap between management education and employability requirements.

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