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## **Employability skill gaps among management graduates In India**

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### **ABSTRACT:**

**Purpose:** On an average, India produces 3,50,000 management graduates in 3,217 institutions across the country. But various research reports and surveys indicate that only 10-20% of them are really employable. Maharashtra, Andhra Pradesh, Karnataka, Tamil Nadu and Uttar Pradesh accounted for 70% of the management institutes in India.

This paper investigates the employability skill gaps prevailing among management graduates in India. The focus of this paper is to identify and list out the employability skills expected out of management graduates to meet the needs of dynamic work environment and also to find out the reasons for the prevalence of employability skill gaps.

**Design/methodology/approach:** The research method involved unstructured, open-ended interviews and discussion with corporate executives, experienced management teachers, alumni of various management institutes and the long experience and observation of the researcher as the management teacher. *Delphi method* was used in the study to identify the essential skills and competencies of Management graduates. About 10 management teachers, 10 corporate executives /consultants and 30 management graduates from all around India constituted the sample study.

**Findings:** The investigation reveals that employability skill gaps prevail primarily because a sizable portion of management graduates do not undergo the right educational experience and process on one hand. On the other hand, they don't possess the portfolio of employability skills required out of them by the corporate.

The management graduates fail to undergo the right educational experience and process because of the following reasons: outdated syllabus, employability skills not forming a part of syllabus, lack of competent teachers, inadequate teaching methodologies, teachers' non-exposure to corporate experience, lack of learning ambience/infrastructure, insufficient practical session, absence of career counseling facilities and admitting students with low intelligent quotient (IQ) followed by poor attendance in the class room.

The portfolio of employability skills required out of management graduates are: Domain expertise / technical skills, quantitative skills, communication skills, leadership skills, team building skills, strategic thinking skills, critical thinking skills, problem solving skills, global skills, loss and stress coping skills, negotiation skills, computer skills(ICT), ability to re-skill/multi-skill, and the ability to see the larger picture. Apart from skills mentioned earlier, the management graduates are expected to possess the following attributes: discipline, flexible, emotionally stable, positive attitude, loyalty, reliability, common sense, maintain enthusiasm, sense of humor, motivated, resilient, adaptable, honesty and integrity.

**Originality/Value:** This is a study providing a detailed analysis on the type of employability skill gaps prevailing among management graduates and their reasons. This paper will help both the institutes and the management graduates to reset their focus of attention.

**Key words:** employability skill gaps, management graduates.

## **INTRODUCTION**

People see higher education, especially the Management education as a stepping stone to get lucrative job. India has got the largest number of B-schools in the world. According to AACSB, India has a total of 3217 B-schools followed by USA, Philippines and China which have a total of 1624, 1259, and 1082 management institutions respectively.

The Indian Management education is currently passing through a turbulent period. On one hand, a large proportion of management graduates are found lacking employability skills and on the other hand a large number of B-schools are closed down every year. Moreover, the rapid mushrooming of tier-2 and tier-3 management institutes has aggravated the problem. Thus various Business schools across India are operating at a reduced capacity. There is also another interesting phenomenon to be noticed i.e. there is a sizable number of students going abroad to do their MBA programmes, especially to USA. According to a survey by Open Doors, of the nearly 100,000 students from India in the USA, 13% were enrolled in Business schools. It is thus important to find out whether the quality of education has kept pace with the phenomenal jump in quantity of management institutes.

NO. OF MBA INSTITUTES							
State	2013-2014	2014-2015	Change	State	2013-2014	2014-2015	Change
Maharashtra	406	382	-24	J&K	11	9	-2
Tamil Nadu	395	372	-23	Chattisgarh	20	20	0
Andhra	851	832	-19	Delhi	18	18	0
UP	447	431	-16	Assam	9	9	0
Haryana	150	135	-15	Puducherry	6	6	0
Karnataka	209	198	-11	Meghalaya	1	1	0
Rajasthan	110	99	-11	Nagaland	1	1	0
Gujarat	108	100	-8	Sikkim	1	1	0
Uttarakhand	49	43	-6	D&N Haveli	1	1	0
MP	203	198	-5	Kerala	73	74	1
W Bengal	55	51	-4	Bihar	18	19	1
Punjab	129	127	-2	Jharkhand	6	7	1
Odisha	72	70	-2	<b>Total</b>	<b>3364</b>	<b>3217</b>	<b>-147</b>
Himachal	15	13	-2				

Source: Times of India

### STATEMENT OF PROBLEM

The last decade has completely changed the dynamics of the Management education in India. On an average, India produces 3,50,000 management graduates in 3,217 institutions across the country. But various research reports and surveys indicate that only 10-20% of them are really employable. On 13<sup>th</sup> January, 2015, The Times of India also reported that out of three lakhs MBA graduates every year, only 10% are employable. Maharashtra, Andhra Pradesh, Karnataka, Tamil Nadu and Uttar Pradesh accounted for 70% of the management institutes in India. The country needs more and more Management graduates who are employable. While the supply of Management graduates has risen to meet the fast-growing demand, the lack of employability skills has left thousands of youngsters armed with a degree but with nowhere to go.

Thus we find that there is an urgent need to explore skills and competencies of Management graduates who intend to gain full employment domestically and in the cross-cultural context.

### OBJECTIVES

This paper investigates the employability skill gaps prevailing among management graduates in India. The focus of this paper is:

- 1) to identify and list out the employability skills expected out of management graduates to meet the needs of dynamic work environment and

- 2) to find out the reasons for the prevalence of employability skill gaps and how to correct it.

## **RESEARCH METHODOLOGY**

This research is essentially qualitative in nature. This study is conducted to explore the employability skill gaps and competencies gaps of new graduates who are recently employed. The primary data was collected using unstructured, open-ended interviews and discussion with corporate executives, experienced management teachers, alumni of various management institutes and the long experience and observation of the researcher as the management teacher. However interviewees were also encouraged to share their stories and explain as to how and why they had arrived at their conclusions and to describe any relevant experiences.

*Delphi method* was used in the study to identify the essential skills and competencies of Management graduates. About 10 management teachers, 10 corporate executives /consultants and 30 management graduates from all around India constituted the sample study. The study is conducted from the perspectives of managers and consultants who are involved in the process of hiring and employing the Management graduates in number of private firms.

## **CONCEPT:**

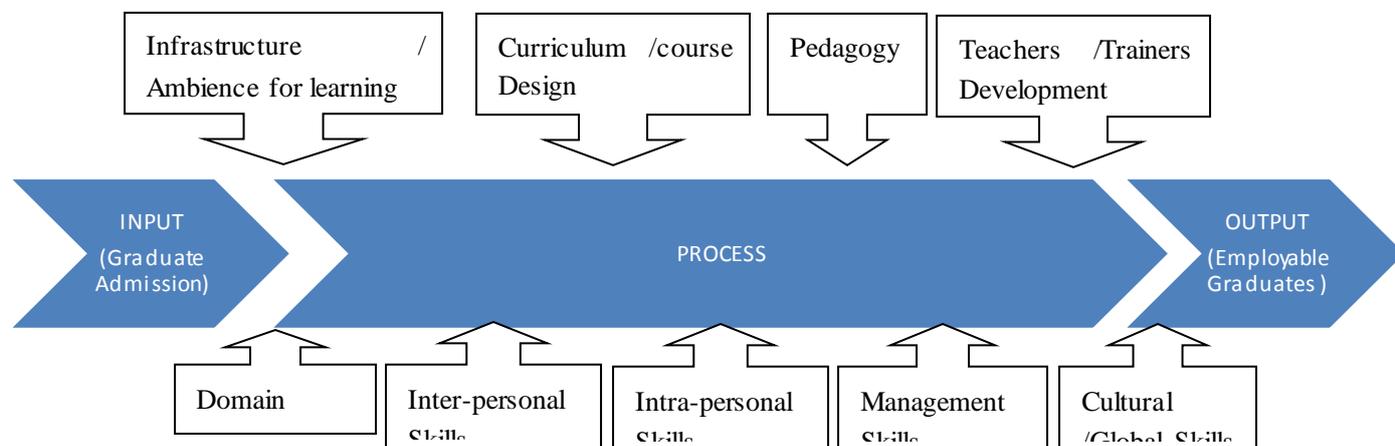
**Employability** also can be understood as the individual, who has a set of skills, knowledge, understanding, and personal attributes that make the person more likely to choose a secure occupation, in which they can be satisfied and successful (Dacre Pool & Sewell, 2007).

*'Employability skills are defined as skills required not only to gain employment, but also to progress within an enterprise so as to achieve one's potential and contribute successfully to enterprise strategic directions.'* (DEST 2002)

**Employability Skill Gap analysis** is a tool that helps a company or an organization to compare the Management graduates actual performance with the expected performance on the basis of a set of employability skills.

Once the general expectation or requirement of employability skills in the industry is understood, it becomes easy to compare that with the actual employability skills possessed by the Management graduates.

## MODEL OF GRADUATE EMPLOYABILITY DEVELOPMENT



### Infrastructure / Ambience for learning

1. Adequate and relevant infrastructure must be made available.
2. Appropriate systems, structure, values and organizational cultures and behaviours must be decided and implemented.
3. Career counseling Cell: for counseling the management graduates to fit their personality and attributes with the appropriate area of specialization.
4. Entrepreneurship incubator cell to motivate startups.
5. A dedicated Placement Cell.

### Curriculum /course Design

1. The Corporate must be involved at the time of designing the Curriculum /course.
2. In consultation with the corporate, the entire employability skill sets for each area of course must be identified and the same to form as a part of the curriculum.
3. Students exchange programme to share, learn and deliver best practices on curriculum and pedagogy and learn from each other's system.

### Pedagogy

1. Management institutes must introduce experiential learning methods like case study, simulation and management games extensively.
2. Learning must be made as an enjoyable process.
3. Class work must ensure challenging learning experience.
4. Learning to develop an ability to reflect and adjust skills attitudes and behavior.

5. The management graduates must be allowed to interact with the Corporates frequently either in the form of guest lectures and industrial visits, Summer Internship Programme and Project Work.

### **Teachers /Trainers Development**

1. Faculty members to continuously update academic skills by attending FDP/MDP .
2. Faculty members must undertake research work and publish the same in the research journals and in the form of books.
3. Faculty members must be encouraged to conduct workshop, seminars and conference etc. on the contemporary issues facing the company/industry/economy.
4. Faculty members must be encouraged to take up consultancy work for the corporate.
5. Faculty members must be given corporate exposure if they don't have any corporate experience earlier.

### **Domain Skills**

This skill refers to expertise in one's own area of specialization, quantitative skills, computer skills (ICT) and the ability to re-skill/multi-skill into other areas of specialization.

### **Inter-personal Skills**

This skill encompasses communication skills (i.e. knowing how to listen, speak and make high impact presentations), negotiation skills, and networking skills.

### **Intra-personal Skills**

This skill encompasses loss and stress coping skills, discipline, flexibility, emotionally stable, positive attitude, loyalty, reliability, common sense, maintain enthusiasm, sense of humor, motivated, resilient, adaptable, honesty and integrity.

### **Management Skills**

This skill encompasses leadership skills, team building skills, creative/critical thinking skills, problem solving skills, strategic thinking skills, and the ability to see the larger picture.

### **Cultural /Global Skills**

This skill refers to the learning as to how each organization gets their work done differently and knowing how to navigate the unique culture of each work place.

## **FINDINGS**

1. The investigation reveals that employability skill gaps prevail primarily because a sizable portion of management graduates do not undergo the right educational experience and process.
  2. The Corporate are of the view that the management graduates lacked most of skill sets that the job requires. The management graduates either lacked certain skills completely or they hold skills which are not fine tuned.
  3. Most of the corporate felt that the management graduates had very poor domain skills.
  4. Most of the corporate said that the management graduates' soft skills were just average.
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5. It is found that the management graduates after getting trained in a company; they just leave the company for a small increase in salary.
6. The Corporate said that the skills gaps are constraining their ability to grow, compete, innovate, deliver products and services on time and meet quality standards.
7. A large number of management graduates said that they find a big missing link between their collegiate education and work expectations.
8. Majority of the Management teachers opined that a large number of students who are admitted for the programmes have very low intelligent quotient (IQ) followed by poor attendance in the class room. The willingness of the students to do hard work has come down drastically.

## **CONCLUSIONS AND SUGGESTIONS**

Dr. Kalam has rightly said that India does not have problem of unemployment but unemployability.

1. The Corporate must be involved to identify the entire employability skill sets for each area of course and the same to form as a part of the curriculum.
2. Curriculum mapping will certainly help to identify where particular skills are covered in the curriculum. Curriculum mapping is a means to make explicit how employability skills and graduate attributes are addressed in the content of a given course or program.
3. Management institutes must resort extensively to experiential learning methods like case study, simulation and management games, Summer Internship programmes and Project work. There by the learning process becomes more meaningful, enjoyable and challenging.
4. Making the students involved in the planning, organizing and execution of workshops, seminars and conference will surely give them hands on experience.
5. Faculty members must be given corporate exposure if they don't have any corporate experience earlier.
6. Students exchange programme / Faculty exchange programme will help to share, learn and deliver best practices on curriculum and pedagogy and learn from each other's system.
7. Faculty members must be encouraged to attend FDP/MDP and to take up consultancy work for the corporate.
8. Career counseling will surely help the management graduates to fit their personality and attributes with the appropriate area of specialization.
9. Entrepreneurship incubator cell must be established to motivate startups.
10. Placement Cell must continuously interact with the corporate to know the latest trends in the job market and to arrange for summer internship programme and projects.

11. The students must be taught the importance of the ability to re-skill/multi-skill into other areas of specialization for enhancing their employability.
12. As most of the management graduates' soft skills are found to be average, workshops should be conducted to train them as to how to listen, speak and make high impact presentations and the art of negotiation and networking skills.
13. Imparting global / cultural skills will help them to learn as to how each organization get their work done differently and know how to navigate the unique culture of each work place.
14. Making the students pay for the entire cost of education, will definitely enhance the seriousness of education. The needy students can be helped with bank loan (like IIM's).
15. Mentoring and behavioral coaching/training will definitely take care of inter-personal and intra-personal skills.

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