

MBA STUDENT EXPECTATION ABOUT EMPLOYABILITY OPPORTUNITY

S. Nandhini, V.Nithish Kumar

MBA Department of Management, Aarupadai Veedu Institute of Technology,
Vinayaka Mission Research Foundation Deemed University
Tamilnadu, India

T. Thangaraja

MBA Department of Management, Aarupadai Veedu Institute of Technology,
Vinayaka Mission Research Foundation Deemed University
Tamilnadu, India

ABSTRACT

The challenge facing institutes of management education is to enhance the employability skills of their students. However, the education system is struggling to identify effective approaches to developing these skills and is uncertain about the best way to provide students with a range of employability options. In addition, management education is currently grappling with several critical issues, including intense competition, stakeholder needs, and the need to produce graduates who are employable in the industry while building brand equity. This paper aims to explore the perceptions of MBA students regarding their employability skills at the entry level of the job market, with a focus on the gap between the skills perceived by management students and the expectations of the industry for MBA post-graduates.

Keywords: Enhance, Management Education, Perception, Employability Skill, Stakeholders

***Cite this Article:** S. Nandhini, V.Nithish Kumar and T. Thangaraja, MBA Student Expectation About Employability Opportunity, International Journal of Management Research and Development (IJMRD), 12(1), 2023, pp. 1-6.*

INTRODUCTION

The term "Employability Skills" refers to skills that are applicable across various jobs and life situations, and are also known by other names such as key skills, core skills, life skills, essential skills, key competencies, necessary skills, and transferable skills. Although the preferred term in the industry is Employability Skills, the Indian perspective on management students is quite different from that of the West. In India, a management degree is often considered a ticket to secure a good job, as opposed to the majority of management students in the West who have prior work experience.

This presents a critical need to develop employability skills among Indian management students, who usually lack practical experience and may not fully understand the demands of the industry. This is particularly true for students from non-IIM (Indian Institute of Management) business schools, which comprise approximately 3500 institutions with an average of 200 enrolled students each, who are eager to secure employment and contribute to the nation's GDP and economic development.

Thus, there is immense pressure to prepare these students and equip them with the necessary employability skills to succeed in the job market. This initiative is crucial to ensure the economic growth of the country and to support these students in achieving their career aspirations.

REVIEW OF LITERATURE

According to a study conducted by Gandhi, M. in 2013, it was discovered that management students do not possess the necessary employability skills as perceived by industries. As a result, it is imperative for management institutions to take appropriate measures to enhance their pedagogy in order to address this issue.

According to a study conducted by Dhar, S.K. (2012), the approval of governmental regulatory bodies like the University Grant Commission (UGC) and the All India Council for Technical Education (AICTE) does not necessarily determine the quality of a business school. Similarly, the type of program offered, whether it is a degree, diploma or certificate in management, is also not a significant factor. What really matters is the ability of the business school to enhance the learning experience through up-to-date course curriculums, innovative teaching methods, and student-centered approaches. Even if students are unable to secure on-campus placements, they will still benefit from the MBA program and have the potential to secure positions in renowned organizations through out-of-campus placements

Rubin and Dierdorff (2009) suggest that the current business management curriculum fails to equip MBA graduates with the necessary managerial skills required for real-life problem-solving scenarios. This issue has led to a legitimacy crisis and relevance problem for management institutions, resulting in a reduction in new entrants. It is not only freshers who benefit from employability in MBA courses, but senior managers who pursue executive MBA to advance their careers and organizations who send employees on MBA courses to improve their skills. Companies such as NTPC and Power Finance Corporation have tied up with institutions such as IMI Delhi and IIT to offer full-time MBA and M Tech courses for their employees, including paying for their education expenses. The employee development programs provide broadly marketable skills that can be integrated with career planning and promotion opportunities, which suggests that employees invest in education not only to gain general skills but also as insurance against potential unemployment

According to Benson (2006) and Baum & Locke (2011), possessing entrepreneurial skills entails the ability to generate an innovative and distinctive business plan, acquire the necessary funding for one's own venture, establish a competent management team, and efficiently and effectively procure facilities and equipment.

In 2016, El Mansour and Dean conducted a study that investigated the perception of employers and university faculty regarding employability skills in the field of Human Resource Development (HRD) for entry-level graduate jobs. The study revealed that a discrepancy exists between the expectations of the industry and the current skill levels of students.

According to Nawaz and Reddy's (2013) perspective, all universities and colleges acknowledge the significance of developing employability skills in management education. In order to prepare management graduates for the workforce, it is crucial to equip them with language proficiency, cognitive abilities, as well as functional and interpersonal skills.

According to a report titled "Higher Education in India - Vision 2030" published in 2016, the Asia-Pacific region, including India, is facing a significant shortage of skilled workers. India is ranked third in the world with almost 61% of employers struggling to fill job vacancies, while the global average stands at around 35%. Recent surveys have indicated that less than 30% of the younger generation preparing to enter the workforce possess the necessary employability skills sought by employers. This shortfall can be attributed to the significant disparity between the curriculum and teaching methodologies employed by the majority of educational institutions that offer professional courses and the actual requirements of the job market .

In a 2016 study conducted by Gowsalya, K. A. on factors affecting the employability skills of college students in Namakkal District of Tamil Nadu, it was concluded that there is a need for educators to incorporate employability skills into their courses and collaborate more closely with employers to provide complementary academic learning. Additionally, society and policy makers must have access to accurate data to make informed decisions and stimulate the economy while promoting job creation. It is essential to ensure that young people possess the necessary skills that employers require and link education with business. However, the current curriculum primarily focuses on academic learning rather than providing opportunities for experiential learning.

Ravan, S. (2016) had conducted a study on, "Employability Skills Need of An Hour For MBA Students", find out that that now a day's employability skills are must by all the MBA students for getting the job. Since research says that in India there are only 10 % MBA students are employable. So, these skills are considered by employers include problem solving skills, interpersonal skills, communication skills, Integrated and value, result oriented, domain knowledge expertise, decision making skills, leadership skills, team player skills etc.

The aforementioned studies have highlighted the existence of a skills gap between students and the industry, as well as between educational institutions and the industry. It is imperative for institutions to adapt to the requirements of the industry in order to bridge this gap. Suggestions to address this issue include providing pre-employment training to students and involving industry in the development of syllabi. Another proposed solution is to establish partnerships between universities and industry. In order to determine the impact of syllabi on skills development, as well as the acceptability of skills imparted by institutions, it is crucial to investigate the impact of the entire course on skills development.

OBJECTIVES

The following are the objectives of this study:

- To investigate how employers perceive and what they expect from the existing employability skills of entry-level Management postgraduate students.
- To analyze the opinions of both Management postgraduate students and employers regarding employability skills.
- To examine the attributes that the industry expects from Management postgraduate students at the entry level.

RESEARCH METHODOLOGY

In India, there are currently millions of job opportunities available across various sectors. However, the industry is facing a severe shortage of talented individuals. Despite regular hiring, the major concern lies in the low employability of the hired resources.

According to a study conducted by ASSOCHAM India, it has been found that apart from a select few top-tier avit institute such as the government-run IIMs and a handful of others, the majority of the 5,500 university in the country are producing graduates who lack the necessary skills and abilities to secure employment.

As a result, many of these graduates are earning less than Rupees 10,000 per month, assuming they are even able to find placements. In fact, in the last two years, around 350 B-Schools have had to close down in various cities across India, including Delhi NCR, Mumbai, Kolkata, Bangalore, Ahmedabad, and Lucknow.

A study conducted by the ASOCHAM Education Committee (AEC) has raised concerns about the declining standards of many university in India, which are often poorly regulated. According to the study, a mere 7% of the graduates from these B-schools are considered employable in the country, with the exception of those who have graduated from the Indian Institutes of Management (IIMs).

The question that arises is whether there is a discrepancy between the skills taught by management institutes to postgraduate management students and the skills that are expected for various entry-level positions in the industry.

There are numerous questions that have been raised, discussed, and debated, yet no comprehensive or justified answers have been found. This research aims to provide answers to a few of these unresolved questions.

THE PURPOSE OF THIS STUDY

Examine the employability of management students across different industrial sectors. With the aim of providing students with the opportunity to learn and practice employability skills within the academic curriculum, the study will conduct a formal assessment of management students' perceived possession of such skills before and during their MBA program. In addition, the study seeks to understand employers' perceptions of the current level of skills possessed by MBA students and their expectations for the skill levels of management students.

The question at hand is whether or not management students possess the necessary employability skills that are sought after by various industries. Additionally, it is important to determine if these students are capable of applying the skills they learn in their management courses to their actual workplaces. If the answer to either of these questions is negative, then it is imperative that changes are made to the academic programs in order to better equip students with the skills and knowledge they need to succeed beyond the confines of their college experience. Ultimately, it is crucial to evaluate and adjust the syllabus and pedagogical methods utilized in management education to ensure that students are able to effectively transfer their learning to a variety of contexts outside of the classroom.

Hypothesis

- Being hypothesis tested is that there is no significant difference in the perceived employability skills and attributes between MBA students and the industry.
- The research will aim to test this hypothesis.
- To gather the necessary data, both primary and secondary sources will be utilized.

Primary Data:

The primary source of data for this study comprises two main components: the current level of employability skills and attributes as perceived by employers, and the expected level of employability skills and attributes required for various job profiles in different industrial sectors. The researchers have examined numerous employability skills and attributes, including those imparted by management institutions, those developed by management graduates during their course of study, and those perceived by management students and recruiters as essential for employment. To gather this information, data was collected from a variety of primary sources, including management institutions, postgraduate management students, and employers.

The study sought to determine the opinions of management graduates regarding employability skills and attributes before enrolling in an MBA program and their perceived levels of employability skills and attributes after completing the course.

Secondary Data:

Data was collected on institutes recognized by AICTE that provide two years of full-time management education, as well as the students enrolled in these programs, the syllabi taught, and the employment scenario in Chennai. In addition, data on industrial sectors and units was obtained from the Chennai Industries Department and District Industries Center in Chennai as well as the Training and Placement Officers of various management institutes.

Sampling

The focus of this research is on institutions that offer management education, individuals who are currently enrolled in management programs, and employers who are actively seeking to hire graduates with a management background.

The scope of this research encompasses the MBA students and employers in the Chennai and Chengalpattu district. Specifically, the study includes 1500 students from 14 different institutes and private universities who were present during the research period of 2021-2023, as well as an unspecified number of employers. Together, these individuals make up the universe of participants for this research.

In order to conduct this research, the industries were selected using a Stratified non-proportionate sampling method. Given the vast number of potential employers, at least five samples were chosen from each of the ten industrial sectors present in the Indian industry. These sectors included FMCG, Consumer Durables, Management Consultants, Engineering, Pharmaceuticals, Retailing, Banking, Insurance, Real Estate, and Software (IT).

Sample distribution as per Industry, Institute and Students

Based on the information provided, there were a total of 385 respondents. Out of these, 60 were from the industry and 325 were students.

DECISION

The paired t-test resulted in a significance value of 0.038, leading to the rejection of the null hypothesis and acceptance of the alternative hypothesis that there is a significant difference between the perceived employability skills of MBA students and the employability skills available among MBA students as perceived by industry executives. This finding suggests that there is a gap between the employability skills perceived by MBA students and those perceived by industry executives. In other words, the employability skills available among MBA students may not be meeting the expectations of industry executives.

CONCLUSION

To summarize, MBA students rated their perceived employability skills and attributes higher than the industry's perception of the available level of these skills and attributes among MBA students. The mean score for perceived employability skills was 4.00 for MBA students and 3.59 for the industry, while the mean score for perceived employability attributes was 4.25 for MBA students and 3.59 for the industry.

According to a study, there is a noticeable gap between the employability skills that MBA students believe they possess and those that the industry perceives them to have. This discrepancy can be attributed to the fact that the course curriculum of management institutions and universities is not up to date with the latest industry requirements. The curriculum lacks emphasis on practical aspects that are crucial for employability

The primary objective of management institutions should be to provide positive value addition to their students' lives. The rankings awarded by various business school rating agencies and the approval of governmental regulatory bodies such as the University Grant Commission (UGC) and the All India Council for Technical Education (AICTE) should not be the only factors considered in evaluating a business school. It is more important for a business school to focus on enhancing the learning experience and overall development of its students, regardless of whether it offers diploma, certificate, or degree programs in management.

REFERENCE

- [1] E. Prashanthi and Prof. T. Sreenivas, Impact of Experiential Learning on Entrepreneurial Mindset Among MBA Students, *Journal of Management (JOM)*, 10 (1), 2023, pp. 14–19
- [2] B. Kalpana Sai and S. Anthony Raj, The Most, Least and Moderately Influencing Factors of Teaching Technology Adoption in Management Education in India, *International Journal of Mechanical Engineering and Technology*, 9(7), 2018, pp. 170–176
- [3] Jyothi and R. Sampath Kumar, Employability Skills of Graduates – A Study on Various Factors Influencing Employability Skills from Degree College Student's Perspective, *International Journal of Management (IJM)*, 13(4), 2022, pp. 24-32
- [4] Madhumathi P, Online Reading Strategy Awareness and Communication Skills for Employability of Arts and Science Students, *International Journal of Management*, 11(11), 2020, pp 83-87
- [5] S. Srinivasaragavan and S. Gayathri, Perception and use of ICT Enabled Entrepreneurs and Employability Opportunities for Rural Women Empowerment: A Survey, *International Journal of Advanced Research in Engineering and Technology*, 11(12), 2020, pp. 3461-3473
- [6] Kanwal Shahbaz, Aamna Saleem Khan, Iffat Siddique, Nudrat Sabah, Muneeb Shahid and Maryaam Jaspal, A Pragmatic Study of Demand and Supply of Employability Skills among Engineer Scholars: Teachers Perspective, *International Journal of Management*, 11(11), 2020, pp.2293-2303
- [7] Nizamudeen. A and Dr. Santhosh Kumar. N, Action Research on the Impact of Class Size in Teaching and Learning in Higher education, *International Journal of Management*, 11 (10), 2020, pp. 690-697
- [8] Manasi Bhate, Ravindra Vaidya and Poonam Vatharkar, Factors Affecting Employability – A Student's Perspective, *International Journal of Management (IJM)*, 11(8), 2020, pp. 1322-1329