

Industry Expectations in Vuca World

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ABSTRACT

While employment is the key to life, employability is the key to succeeding in qualifying for employment (Berntson, 2008). The qualifying candidates have to ensure that they can sustain in today's VUCA job market. Industry today believes in acquiring talent that will give them a competitive advantage as it continues to move towards globalization. It becomes essential for us to understand the changing requirements of the industry.

Management education has evolved to fit the changing needs of the industry. But still absorbing fresh graduates from market and directly putting them on job is a challenge. Industry has to again invest in these new joiners and train them extensively to make them productive. The India Skill Report – 2019 published by AICTE clarifies that the employability rate of management graduates has dropped from 41.02% in 2014 to 39.4% in 2018 and 36.44% in 2019. Increasing rate of unemployability among management graduates is a matter for concern for the academia. Understanding the competency expectation of the industry is essential to improve the employability of management graduates. Thus it becomes very important to understand the expectations of Industry in VUCA world. It is very important to study the competencies expected by the corporates.

This paper is an attempt to understand the expectations of the industry while recruiting fresh management graduates. The study is based on Spencer's managerial competencies. Around 250 managers who have experience in supervising management graduates were considered for the study.

The outcomes of the study will help academia and management students to understand the industry expectations better.

Keywords: Management graduates, employability, industry needs, VUCA,

INTRODUCTION

Practicing managers visiting management institutions for recruitment as well as managers in the corporate sector, who manage/supervise recruits from management institute, often comment on the inadequacy of the management graduates' capabilities for taking up roles in organizations. According to Morrison (2012), 'A competent person should not be chosen lightly, because he or she needs to be qualified to identify the hazards associated with a particular operation.' An oft-heard comment from managers is that there is a need to bridge the gap between the set of competencies and level of competencies which management graduates possess on completion of studies and those which industry needs. Thus it becomes very important to understand the industry requirements while hiring management graduates. The corporate expectations play a vital role in the entire management graduate recruitment process. This study is an attempt to understand what the industry expects from the freshly recruited management graduates. The competency model developed by Spencer's is considered for the study.

REVIEW OF LITERATURE

Organizations today believe in acquiring talent that will give them a competitive advantage as it continues to move towards globalization. In the modern knowledge economy, employers have an expectation that college education will provide graduates with the employability skills required to perform their jobs (Bok, 2006). Availability of employable and skilled workforce is paramount to economic development. In high population growth countries like China and India the rate of change of employability defines the rate of economic growth (Guo et al., 2008). While employment is the key to life, employability is the key to succeeding in qualifying for employment (Berntson, 2008). Employability has been given various definitions over the last 50 years. For the purpose of understanding, we look at the definition given by Harvey (2011). This says that employability is the ability of the individual to get a satisfying job. Earlier Pollard and Hillage (1998) said

that it is the ability of the individual to move self-sufficiently in the labor market to realize potential through sustainable employment.

According to Datar, Garvin, & Cullen, MBA's are deficient in global perspective, leadership skills, integration skills, recognizing organizational realities and implementing effectively, acting creatively and innovatively, thinking critically and communicating clearly, understanding the role, responsibilities and purpose of business, understanding the limits of models and markets (Datar, Garvin, & Cullen, 2010). In the absence of these skills, it is difficult for MBA students to gain employability. This is extended by the NASSCOM's report (2012) specifying that not more than 25 per cent of engineers and MBA graduates are employable.

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The educational process in business schools is continually criticized for failing to equip students with employability skills (Bennis and O'Toole, 2005; Neubaum et al., 2009; Pfeffer and Fong, 2004). This failure can be subdivided into two broad categories: first, the irrelevance of the management theory being taught (Chia and Holt, 2008; Ghoshal, 2005; Starkey et al., 2004); and second, the outdated processes used to teach the students (Bennis and O'Toole, 2005; Mintzberg, 2004; Pfeffer and Fong, 2004).

It is essential to reevaluate what set of knowledge, skills, and attitudes a professional need in order to succeed in the speedily changing global economy. Increasing the competitiveness of an enterprise's workforce represents increasing its opportunities to be successful.

Cappelli (2008) observed that organizations have increased training in basic employability skills so that employees can function in a range of jobs. Graduates felt additional training was needed most in systems thinking skills, while faculty felt that additional training in critical thinking skills was most important and human resource managers felt that additional training in management skills was most important.

A number of studies have focused on identifying gaps viz., academic and business expectations regarding the "skills" and "personal attributes" necessary to achieve "employability" (Gelsdorf, 1986; Levenburge, 1996; McFadden et al., 1999 and Junghagen, 2005). Various studies to identify the "skills" and "personal attributes", that employers' value in graduates, have been undertaken (Powell and Posner, 1983; Atkins and Kent, 1988; Kanungo and Misra, 1992; Maes et al., 1997; Yorke, 2004; and Yorke and Harvey, 2005). Whilst important "skills" and personal attributes have been identified, the outcomes have been seen as a little too vague and a little too difficult to measure in terms of specific industry or organizational needs. Thus supporting, Van Der Heijden's (2002) concerns mentioned earlier. Nevertheless; Harvey (2005) notes, graduates are more likely to meet "employability" expectations than non-graduates.

Spencer and Spencer (1993), in their book 'Competence at work-Models for Superior Performance', used the McClelland/McBer job competence assessment (JCA) methodology to develop the competency model. The model is designed of six clusters focusing on Achievement and action, Human Services, Impact and Influence, Managerial, Cognitive and Personal Effectiveness. Every cluster represents few competencies and sub competencies. The model includes the following competencies: Intensity and completeness of achievement motivated actions, Achievement impact, Degree of innovation, Concern for order and quality, Time dimension, Self-motivation, amount of discretionary effort, Information seeking, Depth of understanding of others, Listening and responding to others, Focus on client's needs, Initiative to help or serve others, Action taken to influence others, Breadth of influence, understanding or network, Organizational awareness, Relationship building, Intensity of developmental orientation and completeness of developmental action. Number and rank of people developed or directed, Directiveness / assertiveness, Intensity of fostering teamwork, Size of team involved, Amount of effort or initiative to foster teamwork, Team leadership, Complexity of analysis, Size of problem addressed, Conceptual thinking, Depth of

knowledge, Breadth of managerial expertise, Acquisition of expertise, Distribution of expertise, Self Control, Self Assurance, Dealing with failures, Breadth of Change, Speed of action and Organizational Commitment.

RESEARCH METHODOLOGY

It is an exploratory research based on triangulation method. The study is largely based on extensive literature review on understanding the relevance of competency studies in management education. The literature explores the competency mapping in management education. Few competency models were studied before selecting on competency model developed by Spencer and Spencer (1991). The competency model focuses on a list of twenty managerial competencies that are required in every management graduate. The Questionnaire survey on the perception of managers in industry is done based on the competency model. The industrial managers having supervisory experience of minimum two years were considered for the study. Managers from all sectors in Mumbai and Thane region were considered for the study. The questionnaire was administered to 250 managers. The managers selected for the study was done on convenient sampling basis.

INTERPRETATION AND FINDINGS

Five proficiency levels are identified for each competencies viz., Basic, Developing, Competent, Mastery and Role Model. The descriptive statistical tools used to study the expectation levels of the corporates. The demand of the corporates in terms of competencies expected to be exhibited by the management graduates vary largely at more than Developing, Close to Competent and C Competent.

Competency Dimension		N	Minimum	Maximum	Mean	Std. Dev	Expected Level
Intensity and Completeness of Achievement Motivation Action Taken to Influence Others	C1_1_des	250	1.00	5.00	2.7560	1.01022	More than Developing
Achievement Impact	C1_2_des	250	1.00	5.00	2.9840	.85948	Close to Competent
Degree of Innovation	C1_3_des	250	1.00	5.00	2.7480	.81434	More than Developing
Concern for Order, Quality and Accuracy	C2_des	250	1.00	5.00	2.9680	.93083	Close to Competent
Time Dimension	C3_1_des	250	1.00	5.00	3.1080	.90533	Competent
Self-Motivation, Amount of Discretionary Effort	C3_2_des	250	1.00	5.00	3.0360	.94566	Competent
Information Seeking	C4_des	250	1.00	5.00	2.8840	1.04061	Close to Competent
Depth of Understanding Others	C5_1_Des	250	1.00	5.00	3.0600	.90091	Competent
Listening and Responding to Others	C5_2_des	250	1.00	5.00	3.2560	.99722	Competent
Focus on Clients' Needs	C6_1_des	250	1.00	5.00	3.0400	.87720	Competent
Initiative to Help or Serve Others	C6_2_des	250	1.00	5.00	3.2480	1.00326	Competent
Action Taken to Influence Others	C7_1_des	250	1.00	5.00	2.6920	.85795	More than Developing
Breadth of Influence, Understanding or Network	C7_2_des	250	1.00	5.00	2.8000	1.02577	Close to Competent
Organizational Awareness	C8_des	250	1.00	5.00	2.9000	.90625	Close to Competent

Relationship Building	C9_des	250	1.00	5.00	2.6920	1.02044	More than Developing
Intensity of Developmental Orientation and Completeness of Developmental Actions	C10_1_des	250	1.00	5.00	2.5640	1.11844	More than Developing
Number and Rank of People Developed or Directed	C10_2_des	250	1.00	5.00	2.6760	1.01149	More than Developing
Directiveness	C11_des	250	1.00	5.00	2.6160	1.03578	More than Developing
Intensity of Fostering Teamwork	C12_1_des	250	1.00	5.00	2.8840	.94345	Close to Competent
Size of Team Involved	C12_2_des	250	1.00	5.00	2.4320	1.00069	More than Developing
Amount of Efforts or Initiatives	C12_3_des	250	1.00	6.00	2.9560	.98282	Close to Competent
Team Leadership	C13_des	250	1.00	5.00	3.0280	.94168	Competent
Complexity of Analysis	C14_1_des	250	1.00	5.00	2.7720	.82629	Close to Competent
Size of Problem Addressed	C14_2_des	250	1.00	5.00	2.5200	1.06118	More than Developing
Conceptual Thinking	C15_des	250	1.00	5.00	2.8120	.91871	Close to Competent
Depth of Knowledge	C16_1_des	250	1.00	5.00	2.9040	.90001	Close to Competent
Breadth of Managerial Expertise	C16_2_des	250	1.00	5.00	2.4880	1.14152	More than Developing
Acquisition of Expertise	C16_3_des	250	1.00	5.00	2.8800	.80261	Close to Competent
Distribution of expertise	C16_4_des	250	1.00	5.00	2.7840	1.09459	Close to Competent
Self-Control	C17_des	250	1.00	5.00	3.1200	.97024	Competent
Self-Assurance	C18_1_des	250	1.00	5.00	3.0800	.91045	Competent
Dealing with Failures	C18_2_des	250	1.00	5.00	3.2560	.97687	Competent
Breadth of Change	C19_1_des	250	1.00	5.00	3.0920	.92464	Competent
Speed of Action Taken to Influence Others	C19_2_des	250	1.00	5.00	2.9040	.91769	Close to Competent
Organizational Commitment	C20_des	250	1.00	5.00	2.8520	.84436	Close to Competent

CONCLUSION

More than Developing	Close to Competent	Competent
Intensity and completeness of Achievement Motivation Action	Achievement Impact	Time Dimension
Degree of innovation	Concern for Order and Quality	Self-Motivation, Amount of Discretionary Effort
Action Taken to Influence Others	Information Seeking	Depth of Understanding others
Relationship Building	Breadth of Influence, Understanding or Network	Listening and responding to others
Intensity of Developmental Orientation and Completeness of Developmental Actions	Organizational Awareness	Focus on clients' needs
Number of People developed or Directed	Intensity of Fostering Teamwork	Initiative to Help or Serve Others
Directiveness	Amount of Efforts or Initiatives	Team Leadership
Size of Team Involved	Complexity of Analysis	Self-Control
Size of Problem Addressed	Conceptual Thinking	Self-Assurance
Breadth of Managerial Expertise	Depth of Knowledge	Dealing with Failures
	Acquisition of Expertise	Breadth of Change
	Distribution of expertise	
	Speed of Action	
	Organizational Commitment	

The study help to conclude that to succeed under the market trends in the global economy, future employees need to be ready for either local or international work opportunities. The industry needs candidates who can exhibit competencies at average and above average levels. This will ensure employability and stability of management graduates in VUCA world.

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