Competencies Needed For 2015: Employers Preference In Business Graduate Selection

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ABSTRACT

Now a days employers don't search for traditional employees rather recruit human resources with divergent competencies. Globalization of competition and internationalization of human resources language adds extra momentum to this search. Thus the demanded competencies from business graduates receive extra attention to the talent practitioners and researchers. This paper puts an honest attempt to highlight the expected competencies in business graduates by surveying the employers of 27 different organizations through a structured questionnaire as a pilot study. Different descriptive and non-parametric tests are applied to bring holistic approach in research methodology. The result shows that personal competency, work habit, dynamic attitude etc. are preferred competencies of Bangladeshi employers. The outcome of the study will have policy implications to regulators, educators, talent practitioners, graduates and other related parties.

Key Words: business graduates, competencies

1. INTRODUCTION

Globalization is the new exhortation that has appeared to dominate the world since the nineties of the last century which affect the world in several different ways. Especially the business world is affected enormously because of globalization. It has really become a critical challenge for employers to attain best talent and good employment and at the same time sustain economic growth in the global era (Ting and Ying, 2012). Now a day's employers not only have to fight with local competitors but they need to get prepared for international competition as well. Considering the situation employers are now looking for those talents who will be able to meet the existing competition and survive in the global market place. And undoubtly graduates with better competencies can meet this expectation. Competency is the demonstrable characteristics of a person, including knowledge, skills, and behaviors, that enable performance (Dessler and Varkkey, 2009 and 2011).

Bangladesh having a population of about more than 160 million people with huge potential for rapid growth and development in the new world economy. The country is very lucrative to the foreign investors, businessman and stake holders from where they can make money. Almost every year new organizations, NGOs and different institution is establishing here and look for competent human resources who can contribute to have a sustain competitive advantage over the industry. But the question is, Is Bangladesh able to supply the competencies that the organizations are looking for? Are the

institutions or universities of the country able to prepare and make fit their students according to the employers' choice? As employers are eagerly looking on these universities to meet their expectations in terms of getting competent business graduate who will be the driving force of the business organizations. Because who is already shaped in a particular field it is very difficult to reshape them but students who are under process it is quite easier and possible to shape them as per the demand of employers.

A significant numbers of graduates are increasing in Bangladesh but a good number of those graduates are not getting suitable jobs as they are not able to meet the expectation of employers. Although graduates typically have academic and technical skills but still they lack some basic skills which are also known as work readiness skills (Raftopoulos, 2006).Therefore, a study is needed to identify employers preferred competencies for business graduate selection.

2. LITERATURE REVIEW

2.1 Concept of Competencies: Ashton (1996) said based on organizational context competencies are the predictors of job performance which works as role models among employees to identify desired and proven attributes. As per Blanchard and Thacker (2005 and 2007) competency is a set of knowledge, skills, and attitudes that help a person to perform successfully. Ting and Ying (2012) used the term "competency" to refer to the capability or ability which is a set of associated but different sets of behavior structured around an underlying construct which is also known as intent. Hamel & Prahalad (1994) argued that competency is a process of group learning in the organization, especially a process of managing and integrating diverse production and technological skills. Basically competency is a power which makes a person all-rounder, increase self- efficacy and confidence that helps someone to prove his performance. Developing competency among business graduate is a very important issues now a days. Jackson and Chapman (2012) mentioned that this competency is so important now a days as because of global financial disaster companies are now emphasizing more on human capital to gain sustain competitive advantage; second, at business level while recruiting and selecting employees it is important to know the organization needs; third, competency profile (a way by which business schools get an idea about employer needs) provide a means by which business school may be informed of employers needs; fourth graduates required to have the information about the employers choice; fifth, it will also help in developing or revising curricula content.

Competencies can be categorized in two traditions, vocational or field-specific competencies, and generic competencies (Biesma et. al, 2007). A study of Biesma et al. (2007) reported that Heijke, Meng, & Ris, (2003) mentioned generic competencies as the combination of learning, analytical and problem-solving abilities, applicable in various domains. On the other hand another research on graduate employment conducted by Mitchell, (2003) addresses generic competencies as skills, abilities and attributes that match employee's field of specialization for work performance. Jackson and Chapman, (2012) emphasized on developing industry-relevant competency profiles for business graduates as identification of the exact nature of industry requirements, and

any contextual variations, can assist business graduates, employers and curricula committee.

2.2 About Selection: Snell and Bohlander (2007) mentioned selection is the process of choosing individuals with relevant qualifications to fill current and anticipated job openings. Ofori and Aryeetey (2011) argued selection is the process of using specific tools to choose from a pool of applicants' the most suitable one for the job taking into consideration. Ongori (2010) pointed recruitment and selection is the entry point for an employee which ensures the success and growth of an organization by choosing the right employee inside the organization. Careful selection is very important as it reflects the future success of an organization, it minimizes the costs of recruiting and hiring and also organization can be free from legal obligations and liabilities if employees are selected carefully (Dessler and Varkkey, 2009 and 2011). So while selecting a candidate employer should be very careful about the level of competency employee possess as success of an organization depends on the human capital (knowledge, skill, ability) which cannot be replicated by competitors.

2.3 Research Gap from Literature Review: Several studies and research has been conducted to identify the importance of generic and industry- specific competencies to have a better performance over the years. In 2003 a study by Ellis showed how London Skills Forecasting Unit demonstrates the need to anticipate employers' future skills requirements. Another study by Cappellen and Janssens (2008) empirically examined the career competencies that guide individuals being a global manager. Crossma and Clarke, 2009 identified the perceptions of Australian employers, academics and students with regard to the value of international experience in terms of graduate employability. Nair and Mertova (2009) emphasized the methodology that was utilized by Monash University to obtain feedback from employers on the generic skills of their graduates. Another study conducted by Lowden 2011 explored the perceptions of employers and Higher Education Institution (HEI) staff concerning the skills, knowledge and characteristics which help undergraduates to be employable. The study also discovered whether perceptions vary by employment sector and employer size and whether such perceptions have influenced HEI strategies (informal and formal) to provide support, activities and learning opportunities to enhance students' employability skills. Likewise the study explored what formal or informal methods are used by employers to assess graduates' employability skills as part of their recruitment process. A popular study made be by Jackson (2012) identified the importance of balance of cognitive and affective competency for business graduate preferred by Australian employers. In another study required competencies of business graduates of Austria, the UK, Slovenia and Romania was identified by Azevedo et al. (2012) which focused on industry-driven approach to measure required competencies of business graduates. Ting and Ying 2012 made a research on employers perception on important competencies and the actual performance of Malaysia business graduates by comparing their generic competencies in Malaysia banking industry. A recent study by Rowley and Mitchelmore, 2013 showed the impact of entrepreneurial competencies and its impact on firm's performance. But so far no studies have been made in Bangladesh to identify the employers preferred competencies especially in business sector for graduate

selection. With such research gap present study will try to identify employers preferred competencies for 2015 in case of business graduate selection.

3. RESEARCH METHODOLOGY

A survey instrument with 1-5 Likert scale was used to measure not preferred to most prefer. In the questionnaire point scale 1 indicated not preferred, point scale 2 indicated least preferred, point 3 indicated moderately preferred, point scale 4 indicated preferred and 5 indicated most preferred. Since this is a pilot study, only 27 questionnaires were distributed to different companies operating in Bangladesh using convenience sample method. All the samples chosen for pilot test were from the same population. Data collection began in June 2015 and ends at July 2015. The respondents are human resource managers and functional managers from domestic and multinational companies which belongs to various industry. The competencies which has been considered in this study has been taken from different literature such as Kirk and Chapman (1992); Forte and Mathews (1994); Hart et al. (1999); Tanyel et al. (1999); Hesketh (2000); Landrum and Harrold (2003); Kavanagh and Drennan (2008); Hernández-March et al. (2009); Nolan et al. (2010); Wickramasinghe and Perera (2010); Cicekli, (2012) specially Hansen & Hansen's documentation, available in http://www.quintcareers.com/job_skills_values.html.

In this study exploratory factor analysis with varimax rotation was used. Factor greater than eigenvalue 1 were retained. Factors that only had 1 item or poor alpha reliability were discarded (Tabalchnik & Fidell, 1996; Nunnally, 1978; Kaiser, 1960). The study started working with 25 items but following these rules 6 factors with 18 items were retained in the present study. These six factors are Personal Competency (time management, hard-working, confidence); Leadership Skills (ability to lead, technical skill, analytical skill, innovative and creative); Work Habit (ability to work, responsibility); Interpersonal Skill (team work, negotiation, professionalism) and Dynamic Attitude (energy, managing multiple priorities), Information Role (decision making, IT skills, aware of the companies operation, willingness to learn).

4. ANALYSIS AND FINDINGS

4.1 Analysis of Profile Variable: The analysis of the profile variable suggests that amongst the respondents' highest 38% are from Banking industry followed by 31% from telecom. And in terms of origin 88% from domestic and 12% are from multinational organization. Respondents' are from top (39%), mid (42%) and entry (19%) level employees. Following table shows the summary of the profile variables of the respondents.

Table 01: Respondents Profile Variable Statistics					
Variables	Categories	%	Variables	Categories	%
Industry Classification	Bank	38	Company type	Domestic	88
	Engineering	8		Multinational	12
	Food & Allied	8	Level of Management	Top level	39
	Parma & Chemical	4		Mid-level	42
	Service	3		Entry level	19
	Leather	8			
	Telecom	31			
	Miscellaneous	8			

4.2 Most preferred and not preferred concept: Among the 18 skills of 27 respondents the study tried to identify the most and least preferred skills of employers. Amongst the 18 skills "Hard-working" has been found to be the most preferred skills with mean of 4.69 in a 1-5 measure scale, while "Negotiation" has been found to be the least preferred skills with 3.65 in a similar measured scale amongst all respondents. The study also applied simple standard deviation measure to check if this preference level is a generally exists amongst all the respondents or not. The calculated standard deviation suggests that most preferred skills by employers "Hard-working" with the highest mean of 4.69 and lowest standard deviation of .471. On the other hand the calculated standard deviation suggests that employers least preferred skill is "Negotiation" with the lowest mean of 3.65, however the standard deviation of .846 is not the lowest amongst the top 5 least preferred skills. The following table highlights the top 05 most preferred and least preferred skills by employers.

Table 02: summary of most and least preferred competencies by employers					
Most preferred skills			Least preferred skills		
Skills	Mean	Stdev	Skills	Mean	Stdev
Hard-working	4.69	.471	Negotiation	3.65	.846
Time management	4.63	.565	Decision making	3.74	.944
Energy	4.48	.643	Analytical Skills	3.89	1.155
Self-confidence	4.44	.506	Team Work	3.90	.738
Willingness to learn	4.37	.742	Leadership abilities	3.92	.744

4.3 Preference according to various Factors: Among the six factors i.e. personal competency, leadership skill, work habit, interpersonal skill, dynamic attitude and information role; personal competency with a mean of 4.587 and standard deviation .1305 is the most preferred competency by employers followed by dynamic attitude with a mean 4.335 and standard deviation .205. Among the factors leadership is in sixth

position with a mean of 3.963 and standard deviation .09979. Giving the highest preference on personal competency which includes the item such as time management, hardworking and confidence, this has happened because employers might think if they emphasize more on personal competencies it will be more beneficial for them. As having quality on these issues can direct a fresher's in a new direction. And putting less preference on leadership skill may be, employer might consider that for a fresh graduate it is not so important to have the skill. Rather it can be developed in later stage by providing opportunity such as different types of training and work assignments.

Table 03:Preferences based on various factors

Factors	PerComp α= 0.85 X= 4.587 Sd= .131	LeadSkll α= 0.82 X= 3.963 Sd= .010	WorHbt α= 0.81 X= 4.285 Sd= .092	IntSkll A= 0.81 X= 3.923 Sd= .286	DynAtt α= 0.70 X= 4.335 Sd= .205	InfRole α= 0.61 X= 4.0650 Sd= .2590
Time management	.852					
Hard working	.920					
confidence	.593					
Ability to lead		.530				
Technical skill		.851				
Analytical skill		.750				
Innovative and creative		.731				
Ability to work			.655			
Responsibility			.852			
Team Work				.441		
Negotiation				.525		
Professionalism				.725		
Energy					.522	
Managing multiple priorities					.878	
Decision making						.424
IT skills						.778
Aware of the companies operation						.527
Willingness to learn						.535

5. CONCLUSION

This study basically reveals the preferences of employers in terms of business graduates selection in Bangladesh for the year 2015, where it is clear that personal competency that includes the items such as time management, hard-working, confidence are more

highlighted by employers of Bangladesh. One reason to prefer these factor may be, employers might think that to meet today's global competition right now it is important to have such type of employees who is hard working, confident and are concern about managing time. This factor is followed by dynamic attitude of employee which includes energy and managing multiple priorities. Here the result can be also be correlated between the choices. After that the factor work habit comes where ability to work and responsibility is included. So here the study signifies that employer look for those types of competency through which an employee can take the organization in a new direction and most of the item of the factors are inborn. Some other factors such as interpersonal skill and leadership quality is less preferred because here the employers might consider that this competency can be developed in later stage of the career of an employee.

This study is beneficial for regulators, educators, talent practitioners not only to get an idea about employers' choice, they can also modify the curriculum if needed. On top of that the study will also help the graduates to prepare them self in such a way that will eventually meet the expectations of employers of Bangladesh.

The major limitation of the study is that though the study started working with 25 items but because of poor alpha reliability some important items such as communication skill, interpersonal skill was not considered. Moreover Factors that only had 1 item were discarded. Finally the study worked with only five factors which includes 18 items. But in real world there are lots of competencies that are crucial for business success and employers' emphasize more on those factors. So in future the study can be conducted by incorporating more items and factors with a different methodology.

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APPENDIX

Appendix 01: Employers preferred competencies

Items	Mean	Std. Deviation
Hard-working	4.69	.471
Time management	4.63	.565
Energy	4.48	.643
Confidence	4.44	.506
Willingness to learn	4.37	.742
Responsibility	4.35	.892
Professionalism	4.22	.698
Ability to work with little or no supervision	4.22	.751
Managing multiple priorities	4.19	.622
IT skills	4.11	.698
Technical skills	4.11	.892
Aware of the companies operation	4.04	.706
Innovative & Creative	3.93	.958
Leadership abilities	3.92	.744
Team Work	3.90	.738
Analytical Skills	3.89	1.155
Decision making	3.74	.944
Negotiation	3.65	.846