

International Refereed Journal of Reviews and Research

Volume 4 Issue 1 January-February 2016

International Manuscript ID : 23482001V4I101012016-122

(Approved and Registered with Govt. of India)

AN EFFECTUAL REVIEW ON EMPLOYABILITY AND ASSOCIATED PERSPECTIVES

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ABSTRACT

The economic climate of today demands flexibility, versatility, creativity, and adaptability (Van der Heijden, 2002) – skills not traditionally required for a successful career or even gaining the competitive edge. However, policy-makers are increasingly focusing on graduate employability as a key indicator in higher education decision-making (Dias de Oliveira & Castro Guimaraes, 2010; Cranmer, 2006). Governments and employers alike are seemingly realizing the importance of the combined knowledge, skills, and endeavours of individuals in building a sustainable competitive advantage (Brown, Hesketh & Williams, 2003; McQuiad & Lindsay, 2005;

Hartshorn & Sear, 2005). Graduate employability is a current and high profile concept, which has received much attention over recent decades. This attention however, has mostly centered on employer perspectives and their views regarding skill demands or shortfalls. Where the graduate viewpoint has been sought, this has largely involved the mass collection of career destination and employment outcome information (Woodley & Brennan, 2000; Tomlinson, 2007; Holmes, 2013). This career destination approach however, has been criticized for its simplicity, with arguments that it is not an accurate measure of employability (Harvey, 2001; Tymon, 2011). As a consequence, the graduate perspective of their employability enhancement is an under-researched and largely neglected area, resulting in a lack of understanding of this particular viewpoint (Nabi & Bagley, 1999; Harvey, 1999; Nabi, 2003; Shah et al. 2004; Sleep & Reed, 2006; Rothwell et al. 2009). To address this situation, the overall aim of this research is to investigate missing link which will enhance career advancement of graduates. From the graduate perspective, and to research this within the context of the current economic climate.

Keywords – Employability, Employment Perspectives, Human Resource Management

PREAMBLE

The critical realist philosophy was adopted for this research, which supports the implementation of a multiple case study methodology, utilizing mixed data collection methods. Employing this approach, three key employability stakeholder perspectives will be collected and analyzed: graduates, curriculum developers and employers.

Education has always been a dynamic concept over the years and the researcher agrees with the author when he says so but today what India needs in this dynamic world of business is clear manifestation of talent and skills which will go a long way producing employability. Mr. NarayanMurthy had once remarked “*Unfortunately many Institutions in India are not able to*

attract and retain high quality faculty, and also the lack of market orientation has resulted in colleges focusing on outdated curriculum and rote learning. Consequently, a large portion of our educational institutes produce graduates & post graduates who are ill equipped to relate their learning with the outside world. India today has over 5.3 million unemployed University graduates even as Indian industries face shortages of skilled labour” (Rai 2007). My research here deals with the most basic requirement from any educational institution which is to train students so they can gain employability after passing out or graduation.

“A set of achievements, skills, understandings and personal attributes that make graduates more likely to gain employment and be successful in their chosen occupations, which benefits themselves, the workforce, the community and the economy.”

In today's business context education & training demands a diagnostic approach to understand the differences between what institutes are doing and what is required to create professionally sound managers and leaders of tomorrow. In the post-industrial economy, work and workplace have been considerably influenced by changes in technology, management innovations, and competition in the global market; these influences have transformed the kind of knowledge, skills and attitudes needed for successful employment and work performance (Saini 2005). Skills development is a major critical concern for international agencies too. Given the substantial investment in university students or graduates, it is particularly important that they are employable upon graduation (Smith et al ;2000). Many believe that the workplace has changed dramatically in response to a new competitive business environment that is marked by flexibility, fast response time, and managerial and technological innovations. This new workplace is thought to require workers with higher and more varied skills, particularly general skills such as problem solving, team work, communication skills, numeracy skills management skills etc. unfortunately, schools are not perceived to be producing students who have such skills. The result, it is

commonly argued, is a 'skills' gap that threatens productivity and competitiveness (Hayward & Fernandez, 2004). India is home for 17% of the world's total population, spread in 2.4% of the world's total land area, this ranking 2nd in population and 7th in landmass of the world (Rai 2007). Literacy rate in India is 74.04% well below compared to the world average literacy rate of 84%. Despite government programs India's literacy rate increased slowly. The 2011 census however indicated a 2001-2011 decadal literacy growth of 9.2% that is slower than the growth seen during the last decade.

Employability has become an important construct and has been present since the 1900s. As can be expected, there are those sceptics who argue that employability is no more than "the latest buzz-word" (Clarke, 2008; Verhaar & Smulders, 1999). Yet, if the labour market has moved away from life-long employment and job security is no longer a given, then employees must consider alternative ways to manage their careers and ensure on-going employment. Employability brings with it a shift in responsibility for career development, making the employee ultimately responsible for the investment and continuous development of his/her career. As such, each person becomes increasingly aware of the importance of learning and the role of the higher education institution (HEI) in this regard (Van der Heijden, Boon, Van der Klink & Meijs, 2009). From these institutions come the future talent of a nation, and many argue that it is the breeding ground for employability skills. Employers are increasingly turning to HEIs in hope of securing graduate students who are well-rounded individuals – knowledgeable individuals with all the attributes required to excel in a position/environment from the onset of employment (Little, 2011). Indeed Harvey (2005, p. 13), in his review on employability, notes that "...it is not just about getting a job, it's about developing...about learning, and the emphasis is less on **employ** and more on **“ability”**. Employability resembles a steady move away from bureaucratic career structures and life-long employment and, to some extent, a shift away from the traditional psychological contract. The debate around what constitutes employability is not

limited to its definition or scope, but also relates to those influential factors that are perhaps not as well defined in current knowledge. Such influential factors often have various names and may be defined somewhat differently by authors.

The Unprepared Workforce

“Employers report hiring substantial numbers of new entrants who are poorly prepared requiring additional company investment to improve workforce readiness skills and the existence of “a workforce readiness gap” (Conference Board, 2009,). Additionally, the Conference Board (2006) stated that young college graduates often are unprepared and lack both the basic and applied skills needed for success in their new careers. Employers “have expressed a need for students who can communicate, value teamwork, solve problems, acquire knowledge that is broad and deep, and do so for their entire career” (Sibley & Parmell, 2008, p. 42). Bandura (1986) stated “career pursuits require more than the specialized knowledge and the technical skills of one’s trade”.

To be successful in the work environment, employers desire strong communications and interpersonal skills (Conference Board, 2006). Graduates’ willingness and curiosity to become life-long learners has been identified as a critical requirement for success in both personal and professional life (Fallows & Weller, 2000). Life-long learning skills become increasingly important to maintain pace in our diverse, rapidly changing, and complex world (Down, 2003). With the rapid pace of change and complexity comes an increasing need for strong and effective leadership to guide this change; “Our nation is in a leadership crisis, one that requires more and better leadership in all areas of our society” (Eich, 2008,).

THE EMPLOYABILITY CONSTRUCT

This chapter discusses the employability construct, including the origin and development of employability, its conceptual foundation, graduate employability, and various employability

models before discussing the conceptualization of the Graduate Employability Model, which will provide a foundation for developing a measure of graduate employability. The various employability models are compared in order to highlight the significance of the Graduate Employability Model within the employability literature. Lastly, a final integration of the new world of work, implications for careers, the attributes that individuals need to survive and how it all relates to employability is provided so as to place the theoretical discussions in context and pave the way for the empirical component of the study.

In light of the permeable and continuous nature of economic and social change, it is becoming more widely recognized that career choice and career decision-making is a lifetime practice (Amundson, 2006:5). In an increasingly competitive environment individuals can no longer rely on their qualification alone to obtain employment, and if they are already employed, cannot expect security and employment for life from their employers. More than twenty years ago, Kanter (1989:92) suggested that the focus should shift from “employment security” to “employability security” – feeling secure in the fact that one is highly marketable and therefore desirable not only to current employers, but also to other employers and even different work contexts and disciplines.

Individuals should therefore take a different approach to the management of their career and they can no longer rely on their educational institutions or employers to help them become more employable. This section accordingly discusses the employability construct as impetus for the conceptualisation of the Graduate Employability Model.

ORIGIN AND DEVELOPMENT OF EMPLOYABILITY

Despite the recent upsurge of interest in the concept as a response to unrelenting change, discussions around employability emerged decades ago. The employability concept reportedly surfaced in Great Britain as long ago as 1909 in a book called *Unemployment: A Problem of Industry*(1909) by William Beveridge (Mansfield, 2001), where the focus was on the problem

of underemployment. Sanders and De Grip (2004) assert that employability, and what it signifies, has changed steadily throughout the last three decades, mainly as a result of labour market conditions and government policies of the time. The development of employability has in fact been captured by Gazier (2001) who proposes that the concept has moved through seven operational versions or stages over the past century. These will be discussed next.

DICHOTOMIC EMPLOYABILITY

The first simplistic version of employability appeared in the United Kingdom and United States from the 1900s to the early 1950s where the concept was expressed as a dichotomy relating to able-bodied employees. A distinction was made between those that could not be employed, in other words, those that were entitled to relief such as the elderly and handicapped (De Grip, Van Loo & Sanders, 2004), and those that could be employed. This distinction was in fact a means to provide those deemed unemployable (those unable to work and in need of relief) with emergency social assistance, while reforming the employable (those willing and able to work) by returning them to the labour market (Gazier, 2001). A criticism of this approach is that individuals were classified as either employable or unemployable, with no degrees in between. The labour market context was also not considered within this system.

SOCIO-MEDICO EMPLOYABILITY

During the 1950s the socio-medical approach to employability was developed in the United States, United Kingdom, Germany and a number of other countries. The focus was on the labour market position of the handicapped such as the physically, mentally or socially disabled. More specifically, aspects such as deficiencies in vision, hearing, motor capacity, and the ability to reason and take initiative were considered. Attention was paid to these disadvantaged individuals predominantly because of a lack of skilled workers in the post-war period, which resulted in companies increasing their recruitment efforts (De Grip *et al.*, 2004). This version of employability brought with it a scale that measured individuals as being more or less employable

and, according to the deficiencies identified, action was taken to improve employability or to compensate individuals (Gazier, 2001).

FLOW EMPLOYABILITY

During the 1960s the flow employability approach developed, mainly in France. During this time, the focus shifted to a collective initiative and more specifically on how swiftly certain *groups* could find employment. As a mainly demand-side approach, flow employability emphasised the ease of access of the jobless to employment within local and national economies (Gazier, 2001, McGrath,). Employability at this stage was defined as “the objective expectation, or more or less high probability, that a person looking for a job can have of finding one” (Gazier in McQuaid & Lindsay, 2005). Drawing on the research of others, Sanders and De Grip (2004) contend that from 1970 the focus shifted from a person’s attitudes to the individual and his or her occupational knowledge and skills. Factors that played a role included understanding one’s possibilities and basic occupational skills, knowledge about one’s position in the labour market, and awareness of what the general employment situation looked like. Towards the end of the seventies it was understood that individuals needed more than occupational skills to remain marketable to employers. Becoming or remaining employable became very important to individuals since it was hard to find work in the economic recession of the time. During this time the concept of “transferable skills” or the importance of acquiring skills that can be transferred to many different work contexts was introduced (Hoyt in Sanders & De Grip, 2004).

LABOUR MARKET PERFORMANCE EMPLOYABILITY

Towards the end of 1970, the notion of labour market performance employability developed internationally and focused on measurable labour market results founded on their human capital. Such measures generally included the probability of obtaining employment, probable duration of jobs in terms of hours worked, and probable wages (Gazier, 2001, McGrath, De Grip, Van Loo & Sanders, 2004).

CONCLUSION

The main aim of this work is to address the under-researched area of graduate perceptions of their employability and to undertake this within the context of the current economic climate. Whilst this study goes some way to enhance current understandings of this viewpoint within such a context, there is much scope to further develop work in this area. Two ways in which to develop further areas of research are now detailed

Firstly, the long term impact of the current economic climate upon graduate employability is uncertain and therefore one possible future area for research involves undertaking a longitudinal study. This research addressed graduate perceptions of employability immediately after graduation, and therefore adopting a longitudinal element would enable a deeper understanding of how graduate views change over time and within different employment and economic contexts. Given the confines of time associated with doctoral study, employing a longitudinal research design was not practical.

Secondly, another area for future work could involve interviewing graduates about their perceptions of employability. This research experienced limitations in employing online questionnaire techniques and a practical next step could be to build upon these with qualitative interviews.

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International Refereed Journal of Reviews and Research

Volume 4 Issue 1 January-February 2016

International Manuscript ID : 23482001V4I101012016-122

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