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Employability of management graduates: Importance of digital skills in the new technological era

Swati Bansal
Deepak Bansal*
Sadhana Tiwari §
Sharda School of Business Studies
Sharda University
Greater Noida
Uttar Pradesh
India

Priyanka Agarwal †
Amity Business School
Amity University
Noida
Uttar Pradesh
India

Abstract

Employability is an important constituent that helps in the growth of the individual and the nations at large. Employability in all disciplines is important including specially the management domain since industry 4.0 does not only create and destroy jobs, they also change the task that people perform on the job, and how they do it.Employability is a challenge which is faced by most of the management institution. This paper is an attempt to understand the importance of knowledge, skills and abilities in the new technological era so as to enhance employability of management graduates. The perspective of employability is studied from the view point of faculty members, employers and the graduates themselves. The gap scores of KSA perceptions required for employability between employer and students and between employer and faculty members were determined and analyzed. The study concludes that there is a distinguishable gap between the various variables specifically

* *E-mail:* **deepak.bansal@sharda.ac.in (Corresponding Author)**
§ *E-mail:* **sadhanatiwari.sun@sharda.ac.in**
† *E-mail:* **pagarwal5@amity.edu**

between digital skills, problem-solving skills, analytical skills, and knowledge of research methods.

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1. Introduction

Skills and qualification have strong relationship with employment and there are sufficient facts indicated that skills and qualification influence service and salary .The dilemma of employability is seen as a significant issue since out of the 600,000 students that graduate across multi-disciplines but very few graduates have the skills which are required for employability in this dynamic technological era..

It has become a critical challenge for employers to attain the best talent from various institutions. In today's era of global digitalization, the focus has to be on digital skills and the employers are looking for "information worker" in their organization .This study is an attempt to find out the gap in management graduates in NCR region of Delhi through the score between KSA's means and the likely reasons for the same. It also tries to suggest measures which can be taken to reduce this gap.

A. *Management Education*

Management Education is considered professional education due to the direct recruitment of MBA graduates from the campus to the corporate world. Management education signifies the activities that help develop knowledge and abilities related to the business's various managerial aspects . It is a discipline where students learn to be business managers, leaders, administrators, and executives. From 1950 to 1980, there were only 118 management institutes in India, whereas from 1985 to 2000, around 673 new institutes sprung up, and today the figure has gone to 3000 .

B. *India Skills Report*

According to 'India Skills Report,' 2022, a joint initiative of the All India Council for Technical Education (AICTE) and Association of Indian Universities (AIU) along with Wheebox, People Strong, and Confederation of Indian Industry (CII), the employability amid management graduates has been 46.2 percentage points in 2022. It seems that with the sudden

increase in the number of colleges providing management education, the quality of education and talent has gone down. To improve this intervention by the government is the need of the hour.

Employability

Employability has been defined as the capability of getting and keeping satisfactory work. It is a desire to get a secure job after studying through books and attending various training programmes in a management institute .

Knowledge, Skills and Abilities (KSA)

Knowledge refers to the factual and procedural knowledge accumulated during his/ her education and service. It is a theoretical or practical understanding of a subject . Skills are proficiencies developed through training or experience. Skills are usually something that has been learned. So, we can develop our skills through the transfer of Knowledge. Abilities -are the qualities of being able to do something. Abilities refer to the power to perform an observable activity or task in the present tense based on a demonstrated and existing ability.

Research Methods

Six hundred eighty respondents (265 management faculties,259 management graduates, and 159 employers) were surveyed across the National capital region (NCR) Region of Delhi, India. The questionnaire was designed to assess the relationship between the education gain and employability received by management graduates with respect to knowledge, digital skills, and abilities.

Data Analysis Technique

In this study, Logistic Regression is used when one tries to find out the occurrence or not the event's occurrence rather than to find out the time of its occurrence. It is especially suitable for "models" that involve KSA (Knowledge, Skills, Abilities) and Employability (employable or not employable).

Dependent Variable - Dependent variable was dichotomous with '1' for employed and '0' for unemployed.

The value of the dependent variable, which is categorical, is modelled through the discriminate analysis. Based on its relationship with one or more predictors, a model which is predictive us build for the group membership.

A. *Checking co-linearity of predictors*

The within-group model predicts the correlations between the predictor variables. Awareness and the other variables have the most significant similarities, but it is difficult to say whether they are significant enough to be a problem.

B. *Checking homogeneity of Covariance Matrices*

"Box's *M* tests» Table 1 interpreted the supposition of correspondence of co-variances groups that are employable and non-employable. The determinants of logistics are a measure of the variability of employable and non-employable communities. The variations in "log determinants" display discrepancies between employable and not employable classes with different covariance matrices.

Table 1

Box's Test Table of Equality of Covariance Matrices

E	Rank	Log Determinant
0	3	-14.494
1	3	-13.667
Pooled within the groups	3	-13.909

Since "Box's *M*" is significant, and the test results shows separate data two or more times to see whether it gives considerably different outcomes. The multivariate approach assumes that the dependent variable's vector follows a multivariate normal distribution and has equal covariance variance matrices across the cell, formed by the effects of between subjects. When the dependent variable observes covariance matrices are equal across the groups, the null hypothesis is tested with Box's M test. We get F statistic from the Box's M test with df1and df2 degree of freedom. Here the test's significance value is 0.000, which is less than 0.005. Therefore the model fits the test result.

- Assessing the contribution of Each variable

Table 2
Structure Matrix Table

"Structure Matrix Table"	
	Functions
	1
A	0.942
S	0.865
K	0.626

While formulating the model, each variable's contribution can be assessed with the assist of structure matrix Table 2, coefficients of discriminant function, and the test of equal opportunity of group mean. The model is unfit; if the validity input is higher than 0.10, then our discriminant model variables are significant.

Results

An ideal situation would be when the knowledge, skills, and abilities required for employment and their relative importance are perceived same by management students, faculty members, and employers. There is no significant effect of KSA on employability", logistic regression was used. The average classification rate for these classifiers is higher than for those based on equivalent priors. The result shows the employable cases have more significant percentage comparison of not employable cases.

The result from the Structure Matrix Table 2 concludes that skills and abilities have more impact on employability than knowledge.

Conclusion

In this changing time of global competition nad technological innovation skills especially digital skills are an important constituent of an employability. The management institution has to work along with corporate world to inculcate and enhance the knowledge, skills and abilities of management graduates. The important skills which these corporates are looking for include digital, teamwork, problem-solving and communication skills.During these times of disruption, the skills are basic skills, cognitive skills, and cross-functional skills. The skills which will dominate the employment of management graduates would be technological and soft. The management institution has to integrate

these skills in their teaching learning process for giving a sustainable employment.

The study concludes that knowledge, skills and abilities constitute an important aspect of employability of management graduates. Gap score results depend on the gap among perceived employers and perceived faculties and the gap among perceived employers and perceived management student. The employers' feedback is an essential component in evaluating management students' employability.

According to the results, some aspects of employability are taken as reasonably necessary by employers and faculties for management students. Global outlook ability should be addressed as one of the dimensions of employability as it is perceived as the highest importance to employers but not by students. To improve students' global outlook, the university/ colleges can focus on the international exchange program and having international students on campus. Management students themselves have to develop the global outlook ability as the recruiters are looking over and value it to work. Another factor that influences employability is problem-solving skills. The employer's perceived problem- solving skills are less among our management students, and if they want to improve it, they have to understand the real business problems and case studies to understand issues in today's business world. Courses which enhance this should be included in the syllabi.

Further, we see that there is a high mean gap score between employer and student and employer and faculty members in case of knowledge of industry and problem-solving skills. It means that the change in the pedagogy and syllabi is required to focus on these aspects. Live projects, industry-academia interface, working on real time cases should be part and parcel of every day learning. The focus should be on improving the knowledge, skills and abilities of the management graduates rather than completing the syllabi for getting higher grades.

Thus, we can conclude a gap between the perceptions related to KSA of students, faculty members and employers affects employability. This gap affects the overall employability of management graduates. It's high time; the management institutions understand the importance of KSA and focus on its development in the curriculum and pedagogy. Though management education institutes tries to adjust their syllabi to deal with employment challenges, there is still much variation in the attributes desired by the employers and the attributes possessed by the new graduates. Universities should integrate institution-wide, course-level employability skills articulation assignments for students in all

years of study and programs. According to the 'India Skills Report,' 2019 the combined effort of government, academia and employer are required to improve the talent gap. Thus, the various stakeholders' integrated approach, namely management institutions, faculty members, management graduates, and government, could reduce the gap. The focus on skills is, in fact, one of the critical points in the new education policy of the Government of India 2020.

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