



Development of a conceptual model on MBA students' employability.

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Abstract

Employability of MBA students have become the burning issue of this era. With mushrooming growth of MBA Institutes, and Industry's concern over lack of quality graduates, making students employable has become challenging. Studies have been conducted to identify the key factor that make people employable. Employability as a construct is not only applicable to fresh graduates, it is expected that one person needs to be employable throughout his/her career in a volatile world. Hence, studies and models on employability have considered both graduates and employees. However, this paper focuses on the MBA students' employability. Based on review of pertinent literature, develops a model of employability.

Keywords: Employability, education, volatile world

1. Introduction

There has been continuous discussion and debate with respect to the role of stakeholders such as employers, educators and students in employment generation and employability of youth. Social thinkers have always emphasized on a holistic perspective to identify the issues pertaining to employment situation and hence tried to understand the perspectives of all the three stakeholders. Studies on this thought have tried to provide some illustrations about the view points of and issues pertaining to all the three stakeholders in the context of management education in Indian context as follows:

Employers look for the presence of skills such as work ethics, team work, oral and written communication, creativity, computer literacy, basic mathematics and leadership as critical to hiring decisions. It is observed that employers who engages with the education providers adequately in terms of continuous interaction with regard to joint development of the curriculum, providing for the on the job training

of the students, deputing experienced employees for experience sharing sessions with the students etc. always get the required skilled employees. Even employers are willing to pay significantly more to get qualified employees.

Educators typically are not held accountable for employment outcomes. The education providers know very little about what happens to their graduates. Helping students find employment is not one of the critical priorities of the providers. What matters for them is an excellent curriculum and increasing course completion. Providers assist students in the areas of information about wages, job prospects, resume preparation, interview guidance and making connection with companies. However, a large number of youths are not aware of the existence of such services in an institutional setting. Most educators do not know how to contribute effectively to improving the current education to employment system. They do not see this as part of their role of educators. They need to begin to figure this out on a most urgent basis. Otherwise they

run the risk of losing the trust and respect of the young.

Students have started doubting the value of their education. Such mindset leads to discouragement and disengagement in the short term. In the long term, if young people do not believe that education will deliver returns in terms of effective employment, they will refuse to pay for this. Hence the providers need to do more to help this dangerous situation.

Coming to the ground reality, employment situation in a society depends on the amount of employment generation and development of the employability of the youth. Hence, a great deal of research has been directed at identifying factors influencing the employability of youth. The factors enumerated have been: social, economic and personal factors (Shumilova & Cai 2011). All these factors have obtained equal importance for researchers. However, the present study focuses on the personal factor or the individual factor influencing the employability of a youth.

2. Employability

The term employability has two words “Employment” and “Ability “ and it commonly means the ability to be employed (Vanhercke *et al.*, 2014) It generally refers to the development of skills, abilities,

knowledge base , expertise level that enhances the students capability for achieving success in the modern setup of work place (Business Dictionary.com).

Many researchers have tried to define it in different ways. For instance, Van der Heijde and Van der Heijden (2006) define it as the continuous fulfilling , acquiring or creating of work through the optimal use of competencies (P.453). According to Forrier and Sels (2003) employability is also characterized as the chance for employment on the internal or external labour market (P.106).

Similarly, Hillage and Pollard (1998,P.2) have defined employability as the capability to move self-sufficiently within the labour market to realise potential through sustainable employment. Rothwell and Arnold (2007) have a different opinion about employability by stating it as the worker’s ability to retain his or her job, or to get a desired job.

A lot of research has been made in the field of employability as this is the requirement of the era today. As per the increasing rate of literacy the requirement for employment is also increasing at a growing rate. There are many employability models suggested by researchers which gives us a better insight to the requirement a graduate should have to be employable.



Fig 1 : USEM Model of employability

Source: Pool & Sewell (2007), “ The key to employability :developing a practical model of graduate employability”.

3. Employability models

Bennett et al. (1999) proposed a model of course provision in higher education which included five elements (see fig.1): disciplinary content knowledge; disciplinary skills; workplace awareness; workplace experience; and generic skills. The model includes all the necessary elements which helps the graduate to achieve an optimum level of employability, but at the same time the model was missing some vital elements.

Then Yorke and Knight in 2004 suggested another model named as USEM Model of employability. The USEM model of employability (Yorke and Knight, 2004; Yorke and Knight, 2004) is probably the most well-

known and respected model in this field. USEM is an acronym for four inter-related components of employability: understanding; skills; efficacy beliefs; and meta-cognition.

The model shows the way by which graduates can achieve success. When students are provided proper opportunities to access all the lower tier needs then it automatically allows the candidate to evaluate themselves and re-work on these setbacks and take a step ahead which thereby helps in development of their self-efficacy, self-confidence and self-esteem which are the crucial link to employability. This model is even mentioned as Career EDGE model of Employability.

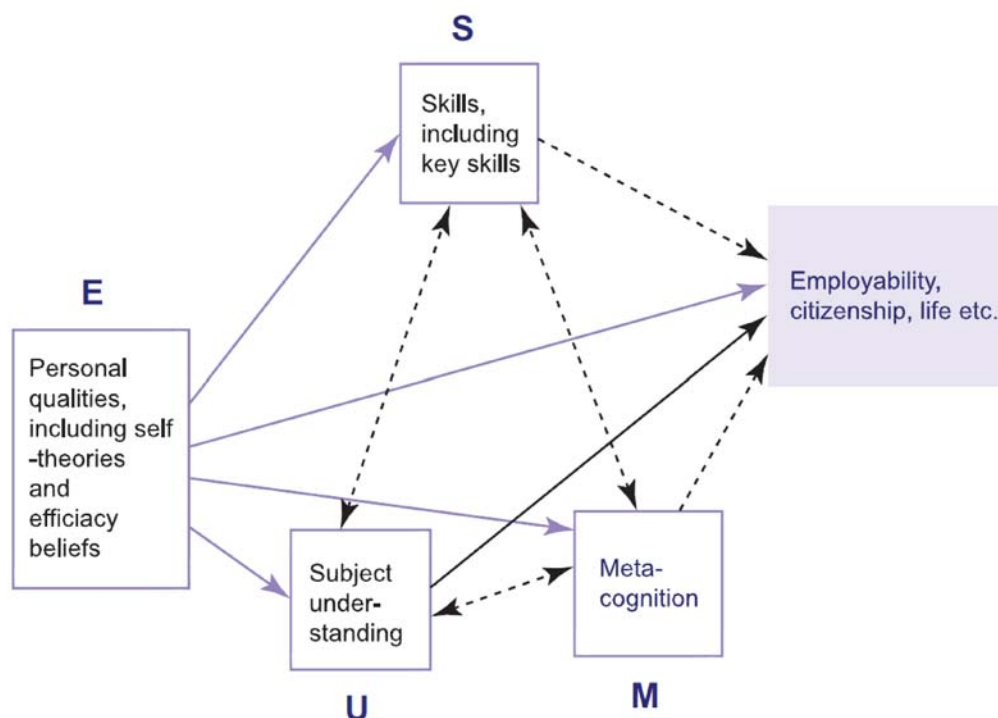


Fig : 2 The USEM account of employability

Source: Yorke & Knight (2006), "Embedding Employability to the Curriculum"

Close observation of the above models reveals that individual personal factors is one of the important antecedents of employability. Studies on personal factors have focused on personality attributes, competencies, skills, motivation etc. Since the focus of the present study is on individual personality factors, relevant studies on this area have been enumerated below.

4. Individual personality and employability

Personality of an Individual plays a vital role in

the employability. In many of the researches it has been found that Personality of an Individual helps them in being employable and for the individuals they need to possess academic skills, proper career planning, Presentation Skills, Problem solving skills, Personal management skills(Personal qualities such as responsibility, self management , ethical behaviour and self-respect and respect for others), Teamwork skills, organizational skills (identify, organize ,plan and allocate resources - such as time, money, material and human resource), Negotiation skills, Understanding the system,

Communication Skills, Leadership skills, Critical thinking, Interpersonal skills (Zinser, 2003)

Studies in this line reveal that personality attributes such as self-efficacy, self-confidence and self-esteem plays a crucial link between knowledge, skill, understanding, experience, personal attributes and personality (Pool & Sewell, 2007). While self-efficacy helps in increasing the self-confidence of the individual, self-esteem helps the individuals evaluate themselves and find the areas of improvements. And it has also been found to be influencing some other job and career related factors such as career resilience and self-management (Coetzee & Potgieter, 2014).

Big Five personality model has also been researched in this field of study. Number of researchers have studied the role of Big Five personality model on career success or employability (Boudreau et al., 2001; Judge et al., 1999; Seibert and Kraimer, 2001). In all these studies, the extraversion dimension has been found to be consistently predicting employability. Similarly, studies established that high levels of external locus of control and dispositional optimism leads to job insecurity (Bosman, Buitendach & Rothman 2005).

Individuals' emotional intelligence level has also been identified as a significant factor influencing their employability (Beukes 2009). Because people with emotional intelligence can think clearly and accurately which in turn helps them to anticipate and cope with changing job environment (Mayer & Caruso, 2002).

5. Dispositional employability construct

Dispositional employability refers to an Individual characteristic to actively adapt to the changing work environment. It basically relates to individual's personal attributes. According to Fugate (2006) dispositional employability means 'a constellation of individual differences that predispose employees to (pro)actively adapt to their work and career environments'.

Kinicki and Fugate (2008) define dispositional employability as differences that can be grouped and influence the adaptability of individuals in their work and careers. They explain dispositional employability in terms of an individual's openness to changes at work, work and career resilience, work and career proactively, career motivation and work integrity. They assert that dispositional employability facilitates the identification of opportunities and the personal learning and the changes which are necessary to be successful.

The dispositional approach defines employability through a set of individual characteristics that determine the current and future position in the labour market

(Sanders & De Grip, 2004). A similar construct *employability orientation* has been developed by Van Dam (2004) which refers to a set of competences that enable the employee to succeed in a flexible modern organization.

Researchers focusing on dispositional approach to employability state that it not only determine current employability, it also predicts the future position of the individual in the labour market (Sanders & De Grip, 2004).

6. Dimensional structure of dispositional employability

There are five dimensions which are critical and representative of the active and adaptable nature of dispositional employability (Kinicki and Fugate, 2008).

1. Openness to changes at work: An Individual openness to change is fundamental to dispositional employability. An Individual's openness to change & new experiences support learning and enable them to identify and realize career opportunities by enhancing their personal adaptability. When individuals are open they show flexibility when challenges are put in front of them with uncertain situations. Usually it is observed that open people take change as a challenge rather than a threat. Therefore people who are open to new experiences and changes are considered as adaptable to changing or dynamic work requirements making them more employable.

2. Work and Career resilience: Resilient individuals are those individuals who have the ability to properly adapt to stress and difficulty and therefore these individuals have positive self-assessments and optimistic views about life and they always show confidence in their ability to handle objective and affective challenges. Therefore, workers who possess career optimism are always most likely to get numerous opportunities in their work place. At the same time these individuals view career changes as challenges and opportunities to learn and they always believe in delivering the desired outcomes and goals which is expected from them. Therefore, work and career resilience is a part of an individual's work identity and it is reflective of their dispositional employability.

3. Work and career proactivity: Individuals with high levels of dispositional employability are usually very active and they gather information about the environment. Gathering information related to their career interests serves as a feedback and it is the key to the efforts which they make to be effectively adaptive. Therefore, it is found that individuals who

are employable seek information of varying specificity which is relevant to their personal job and career interests. Work and career proactivity facilitates identification and realization of occupational opportunities.

4. Career motivation: Career motivation is based on the concepts of motivation control (Kanfer & Heggstad, 1997) and learning goal orientation (Dweck & Leggett, 1988). Kanfer and Heggstad (1997) argued that by setting goals, workers with high motivation control are more motivated at work, persist during periods of boredom or frustration, and sustain effort in the face of challenges. Similarly, a learning orientation at work manifests in planning for one's future, pursuing learning and training opportunities (Cron, Slocum, Vandewalle, & Fu, 2005), and a willingness to change to meet situational demands (Ames & Archer, 1988). As such, career motivation is a critical determinant of continuous learning and dispositional employability.

5. Work identity: Work identity is an Individual's self-definition in the career context and it refers to the cognitive and affective aspect of dispositional employability. Individuals who consider themselves as employable showcase consistency in their behaviours with this self-view (Ashforth & Fugate, 2001), which also influences their personal goals or aspirations. A career plan helps the individual to identify the right behaviour, regulate, sustain and maintain behaviour but today's environment in the absence of proper career plan individuals face problem in managing their boundaryless careers. According to Fugate et al., (2004) the motivation and direction to career-related endeavours and support employability comes from Career identity.

7. Correlates of dispositional employability

Dispositional employability has been related to many employability and job related variables such as career success, job security, employability hope, wellbeing etc. For example, Hinton (2012) study found that there is a relationship between employability and hope. As we know that dispositional employability relates to individual's personal attributes therefore it creates an employability hope in the candidate and this hope (hope means a positive motivational state derive from goal directed energy and a plan to meet those goals helps the candidate to enhance their skills to be employable. Similarly, Vanhercke, Cuyper and Hans De Witte (2013) study found that dispositional employability is related to career success as

dispositional employability refers to an individual characteristic to actively adapt to their changing work and career environment therefore it helps the individual to grow in their career thereby keeping a focus on their goals.

Along with human-capital variables, individual dispositions of employability are conceived of as predictors of positive work-related outcomes, such as perceived employability, employee well-being and career success. The dispositional approach to the construct of employability represents a useful alternative to the line of traditional research and practice that posits a reactive employee orientation (employees responding after the situational changes occur or are known). In contrast, the current approach acknowledges the importance of employee initiative and proactivity in understanding work behaviour and work-related outcomes (Sersic & Tomas, 2014).

A study was done in south Africa to contribute to the academic literature on dispositional employability as there is no literature available. It aims to contribute to the academic value of the dispositional employability, by studying that if job demands and job resources are predictors of dispositional employability of academics in South Africa (Rodd 2012)

Higher education is a crucial part of any country's competitiveness, development and sustainability. Studies indicate that HE has both private and social benefits and that is profitable to both individuals and the government to invest in education. (De Villiers & Steyn, 2009).

It was found in the research that when job demands are high and job resources are low, employees exert excessive energy to cope, which has negative effect on motivation consequently leading to disengagement. Helpful interaction on the job from the supervisors and peers plays a positive role in personal adaptability but at the same time employees should be provided with the resources necessary to follow the organizational vision and facilitate coping. It was also found in the research that employability focuses on a number of characteristics such as skill and competence, physical and cognitive suitability, flexibility, adaptability that refers to employment as an outcome. The research agreed on the fact that it is essential for the employees to adapt and change with their working environment to survive. When linking the job demand and job resources and Dispositional employability model it formed a logical concept linking what is required of the employee with the way in which the individual adapts and handles these requirements (Rodd 2012).

8. Perceived employability

Perceived employability is one of the concepts which concerns the individual’s perception of his or her possibilities of obtaining and maintaining employment (adapted from Berntson and Marklund, 2007). Perceived employability is mostly researched in relation to the organization where the relationship is measured to the performance level which is referred as the optimal functioning at work. Optimal functioning at work refers to the employee behaviour that contribute to the organizational functioning either because they directly promote the strategic and operational goals of the organization or because they contribute to the pleasant working atmosphere (Abramis, 1994). Very few studies have attempted to measure Perceived employability of students (Rothwell 2009). Extensive search of literature did not yield any result for such scales in Indian management education context.

9. Research gap and conceptual model

In general, employability research has been focusing on the external factors such as role of stakeholders in education, skill gap identification, curriculum development, faculty, industry-institute interface, work exposure, grooming sessions, and student mentoring etc. The key word search in “employability” in EBSCO, Proquest, and Emerald yielded 150 relevant articles and 10 research reports where mostly the focus was on the aforesaid issues.

The internal factors such as the motivation level of student, personal attributes or characteristics, self-confidence, emotional intelligence, self-efficacy, self-esteem also have been researched in the context of employability. However; very less focus has been given

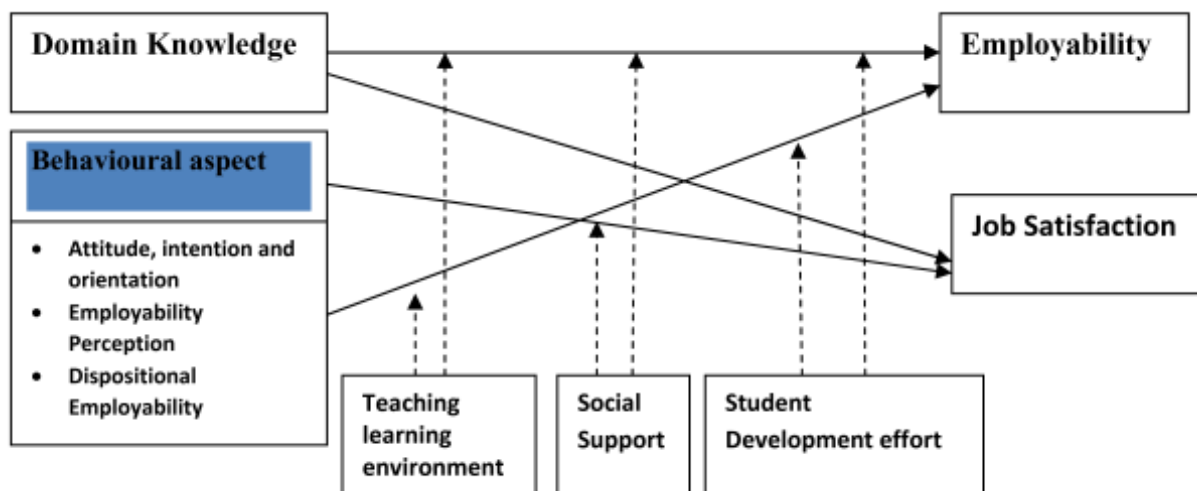
to the these internal factors, which helps the students to best utilize the external factors.

Dispositional employability is one of the personal factors where a number of researches have been done on employees that focuses on the employee well-being, job security, career success, employability hope etc. But less number of studies till date have attempted to find the relationship between dispositional employability and students’ actual employment and career success. Moreover, we felt the need of developing a scale on dispositional employability for Indian MBA students.

Another phenomena observed in this context is that perceived employability of the students influences their actual employability. Since perception of self and perception of employers may sometimes differ, we propose to identify the gap between perceived employability of the students and employers and further relate the gap in perception with the factors impacted due to that perception gap.

9. Conceptual model of the study

This model considers domain knowledge and behavioural aspects (such as Attitude, Intention, orientation; employability perception and dispositional employability) as antecedent variables which would determine employability and job satisfaction of MBA graduates. Further, teaching learning environment, social support, and student development efforts have been considered as moderator variables. To put it in other words, we conceptualise that domain knowledge and behavioural aspects of MBA students would lead to employability and job satisfaction and the teaching learning environment, social support and student development activities would act as catalysts.



10. Conclusion

This is a conceptual model that needs further empirical validation in Indian context. If this model finds empirical evidence, in its support, can be a guiding tool for the management of MBA institutes to groom the

students in this line. In a context where academia and industry are pondering over the employability of the students, findings of this model can throw some light on this burning issue.

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