



UNDERSTANDING THE CONCEPT OF EMPLOYABILITY – AN EASIER LOOK

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ABSTRACT

Employability is high on the educational and political agenda and defining what is meant by employability is as much of an issue today as it was 30 years ago. Much of it comes as a challenge to the young graduates who fail to inculcate the skills that are related and included in employability. The reason we get so muddled about this is because “employability” is often confused with “employment”. Employability is more than about developing attributes, techniques or experience just to enable a student to get a job, or to progress within a current career. It is about learning and the emphasis is less on ‘employ’ and more on ‘ability. While employability is a highly dynamic concept and denotes progression. Its importance is multifold affecting each stakeholder that gets benefitted from it. The present research, through extensive literature on employability, shall explain its roots of origin and its critical relation with higher education. As India is trying to move progressively towards becoming a global knowledge economy, it faces a lot of issues and concerns that are important to be taken care of. The research under study would also address certain issues and concerns in this regard.

Keywords : Employability, Higher Education, Graduates, Employers, Employment

Introduction

Employability is not fetching ones dream job as a graduate, rather it implies a person's capacity and ability to function in a job and be able to make transitions between jobs and thus remaining capable and employable throughout its professional and personal life. Conversely, just because a student is enrolled in a vocational course does not mean employability will automatically crop up in him. Employability can be defined as *'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'* (Yorke 2006)

Employability is more than about developing attributes, techniques or experience just to enable a student to get a job, or to progress within a current career. It is about learning and the emphasis is less on 'employ' and more on 'ability. In actual practice the essence lies in developing critical, reflective abilities, with a view to empowering and enhancing the learner. (Harvey 2003). The importance of employability is multifold affecting each stakeholder that gets benefitted from it. Like for students, holding a degree is not enough to guarantee a job and a satisfying future career. This does not mean that your degree is irrelevant to employers - the subject and standard of your degree may be essential or useful in helping you enter your chosen career - but it does mean that, in parallel with your studies, you should aim to develop skills that will be of help to you in your future career as such skills are sought by all kinds of employers. The skills you should be developing are the skills that reflect your own personality, interests and abilities - as these are the qualities that will influence your eventual choice of career. This is very much evident in light of current economic conditions and competition in global job market where employers need 'work ready graduates' with a proper mix of skills and graduate attributes. To possess this competitive edge, graduates need to have developed employability skills throughout their time at universities and other institutional setups. Employability provides a suitable Return on Investment (ROI) where student's main motive behind higher education is to enhance their career prospects. This becomes increasingly important in view of rising costs of education and levels of debt on graduation, so individuals want to ensure it has been money well spent. Other methods like innovative teaching, learning and assessment help students engage in the education process and have added advantages of developing in them attributes which are attractive to potential employers. Employability not only benefits students but the academic staff, universities

and employers also by getting students with skills, knowledge and attributes relevant to their needs. Industries also require employees who are fully equipped with highest personal and professional standards who are actually a product of universities with employability as their main concern for their student's career graph. In the 21st century, nearly every job involves the need for employees who communicate efficiently, work in synergy, understand the needs of, and provide quality service to their clients. They need employees who are good at IT, make reasonable decisions using problem solving approach and have initiative power with them. It is very useful for employers to have flexible and adaptable workforce who have willingness to learn and have positive approach towards work and life. Once a person gets a degree and lands in a work setup, the right mix of skills play an important role in determining his future in that workplace because skills, values, interests and personality are the important determinants of success of a person. The world of work is dynamic, your career today may involve moving between a number of different employers and job functions, and those jobs and employers are themselves likely to change and develop during the time you are employed in them. Employers are therefore seeking graduates who are enterprising, resourceful and adaptable and who, as well as their degree, possess a range of skills which can be used in a wide variety of settings as well as in their careers. These are known as employability skills. The skills, knowledge and competencies that enhance a worker's ability to secure and retain a job, progress at work and cope with change, secure another job if he/she so wishes or has been laid off and enter more easily into the labour market at different periods of the life cycle" (ILO 2013)

Employability is high on the educational and political agenda; engaging students and employers with employability remains a challenge and defining what is meant by employability is as much of an issue today as it was 30 years ago. Much of it comes as a challenge to the young graduates who fail to inculcate the skills that are related and included in employability. There is inequality in terms of support and provisions for enhancing their employability quotient from their institutions. Without having enough employability skills, it will be more challenging for the economy to achieve its productivity goals, individuals will find it harder to obtain and progress in work and many other important issues related to lack of skills will crop up. The central part of this revolves around developing the ability to use knowledge and skills in the workplace effectively. Many learning providers already do help learners develop employability skills. Many, however either neglect to teach employability skills or, for funding or capacity reasons,

find it difficult to develop them. Whatever is happening at the moment is not good enough. We want to see change. Although that change has to be empowered and encouraged (and not impeded) by policy, funding and assessment, it has to happen at the level of individual schools, colleges, universities and employment training providers.

Historical evolution of employability

The concept of employability is not novel and has continued to evolve from the beginning of 20th century in United Kingdom. It is in line with changing career and employment models. William Beveridge in 1909 first introduced the idea of employability and it was further developed in the United States. Until the early 1800's jobs were essentially activities linked to constantly changing tasks rather than specific positions with clearly defined boundaries (Bridges 1994). Contracts tended to be short term and for the duration of particular piece of work and workers took responsibility of their own employability. After Industrial Revolution, employment models changed and growth led to organisational careers, contracts became long term and workers began to exhibit ongoing loyalty. Organisations provided for job career security and careers were essentially managed by employers. However towards the end of 20th century, career and employment patterns changed significantly and organisations underwent widespread downsizing and restructuring in response to competitive pressures. No job security was promised and again short term contracts were established. The old psychological contract of giving career opportunities, training, internal promotions and mutual trust, was changed to more transactional elements or short term contracts requiring highly flexible and skilled workers. In some ways the contemporary view of employability appears to have shifted back to the pre industrial model.

Over the past century it has gone through several stages as put by a leading theorist of employability Gazier (1998):

- *Dichotomic employability*: As earlier in 20th century, this approach emerged in Britain and America where it was seen related to availability of able-bodied workers. Its main was to make a distinction between those that can be employed and those that cannot be. Between people eligible for relief (deserving, elderly) and people looking for work.
- *Socio-medical employability*: This phase dates back to 1950s where concern with employability was focused on labour market situation of underprivileged particularly

those who are physically mentally for socially disabled individuals that made them unemployable or not fit for employment. They received attention because of shortage of skilled workers in post war period.

- *Manpower policy employability*: In 1950s and 1960s in US, employability was concerned with individual's ability to become employed. Here again the distinction was made on the gap between their requirement by labour market and their knowledge, skills and attitudes.
- *Flow employability*: This phase emerged in 1960s and was radically different from earlier approaches. Promoting employability served macroeconomic purposes. The employability of a worker was determined mainly by looking at his labour market history. Their attitudes towards employment and self perception were improved by policymakers.
- *Labour market performance employability*: From 1970s onwards, this phase emerged internationally. The concept of employability and focus was shifted away from attitudes to focus on individuals, mainly occupational knowledge and skill endowments and their labour market skills. These measures included period employed, hours worked and wage rates. Employability generally came to be viewed in terms of future labour market outcomes for individuals based on their human capital.
- *Initiative employability*: During late 1980s, employability as a combination of attitudes, knowledge and skills, was considered to be an important determinant of employee's labour market performance (Pearson 1988). The labour market developments gave rise to the perception that all workers had to expect discontinuities in their careers and that there was a requirement of development of skills and attitudes that would make workers succeed in their current jobs and be able to get better jobs in other organisations. The stress was mainly laid on individual's initiative by being a permanent entrepreneur of his boundary less career (Arthur 1994).
- *Interactive employability*: Around 1990, the concept of employability was further broadened by including other dimensions such as labour market situation, knowledge of labour market and company policies (Bloch & Bates 1995; Hyatt 1996; Outin 1990; Sterns & Dorsell 1994). It was argued that employability of individual is partly related to the employability of others in the labour market, both as competitors. In this version of

employability, it is important to find the right balance between individual and collective responsibilities and scope.

Employability and Higher Education System

The employability of graduates has become a basic objective that governments around the world have, and this has, to varying extents been imposed on national higher education systems. Employability is becoming a core issue in many countries, and increasing attention is being paid “to the role of higher education in developing employability” (Huang, Turner & Chen, 2014). The relationship between higher education and national and local economies has long been acknowledged since long ago and has had a significant impact on the nature and focus of the HE sector. This interest in employability reflects an acceptance of human capital theory (Becker, 1975). Under human capital theory, the task of government is to foster conditions that encourage growth in the stock of human capital, since this is seen as vital to the performance of knowledge based economies in a globalised society. A report from the Treasury puts it succinctly:

Human capital directly increases productivity by raising the productive potential of employees. [. . .] Improving skills and human capital is important in promoting growth, both as an input to production and by aiding technological progress. This has been recognised both in endogenous growth theory and also in empirical studies comparing growth in different countries (HM Treasury, 2000).

As through observation it has been found that important source of knowledge growth is the learning-by-doing that mostly takes place in innovative workplaces (HM Treasury, 2000). Another is the higher education system. The higher education system is subject to governmental steer, one form of which is to give an emphasis to the enhancement of the employability of new graduates. Some commentators have questioned these assumptions, asking whether human capital is the key to economic well-being (Morley, 2001) and whether ‘employability’ is anything but an empty concept. Even if the concept has weightage, there are queries whether higher education can develop employability as governments suppose (Atkins, 1999). When trying to appreciate higher education’s potential for contributing to economic wellbeing it is helpful to distinguish between the formation of subject-specific understandings and skills and the promotion of other valued skills, qualities and dispositions. Whereas the world of employment has, by and large, been satisfied with the *disciplinary* understanding and skills developed as a

consequence of participation in higher education, it has been less happy with the development of what have been termed ‘generic skills’, such as communication, team-working and time-management. Higher education’s key contribution to national prosperity lies in development of graduates with such achievement at their disposal. This means that undergraduate programmes should be concerned with four areas in particular:

- Abstraction (theorising and/or relating empirical data to theory, and/or using formulae, equations, models and metaphors);
- System thinking (seeing the part in the context of the wider whole);
- Experimentation (intuitively or analytically); and
- Collaboration (involving communication and team-working skills).

Educational institutions are not always successful in preparing learners for the complexity inherent in the system they live. Learners are often expected to learn what is put in front of them and to work individually and competitively. The education systems that are at the leading edge of economic developments require that the institutions should take fruitful efforts to foster the employability of learners. There are different ways in which higher education can contribute to economic development. Like preparing graduates and diplomats for employment-related roles of various kinds, it has an acknowledged role in lifelong learning – for example, in educating further the middle manager so that he or she can manage more effectively, in ‘up skilling’ the teacher or process worker, facilitating the development of active citizenship, and so on.

There is a need for urgency in ensuring that the graduates emerging from the HE system are job ready and able to contribute to future economic growth through the provision of knowledge, skills and creativity in new business environments. The development of graduates with relevant skills and knowledge – the employable graduate as “Future Fit” (CBI/UUK 2009) – has placed graduate employability at the centre of the HE agenda: Embedding employability into the core of higher education will continue to be a key priority of Government, universities and colleges, and employers. This can benefit both public and private setups and in turn shall bring better economic growth and enhance development of society and culture (HEFCE 2011). Nevertheless graduate employability being a core interest, engaging both students and staff, will be crucially important in an era of increased costs, higher fees and loans, and increased competition for initial, and continuing, employment locally, nationally and internationally.

The issue for higher education is what it should do to enhance the employment potential for the full spectrum of its graduates, while acknowledging that economic forces, of various kinds, will influence the graduates' success. However, continuing to make assumptions that students can all be treated in the same way, and have equal confidence in dealing with the labour market, runs the risk of perpetuating disadvantage as the relatively advantaged are able to maintain their position.

Issues and Concerns for Employability

As India is trying to move progressively towards becoming a global knowledge economy, it faces a lot of issues and concerns that are important to be taken care of. The majority of recent graduates expressed concerns that they were insufficiently prepared for employment or self-employment by their university studies. More than half of respondents in certain studies felt that their educational experience had failed to develop essential skills and had not provided satisfactory career guidance. The higher education department and students should work in partnership and learn employability explicitly through an integral part of the curriculum.

One of the issues behind low employability among Indian graduates is outdated curriculum taught at universities. Syllabus taught in colleges is not as per industry requirements. Students lack industry exposure during the course. They don't get much opportunity for practical applications of their course. They spend most of their time during course in theoretical work and scoring good grades.

Another basic reason behind low employability is lack of judgement of right career options. For most of Indians career option is selected by their parents. It makes things more difficult. Companies after recruitment have to spend much time on the skills of new employees

India's biggest problem is the gap between educational curriculum and skills needed for the industry at an entry level. India produces over 16,00,000 engineers every year. Only 2,00,000 or so get good paying jobs. Another 3 to 6 lakhs get ordinary jobs. The rest either go back to studies, or try something totally unrelated to their field of study. The reason is NOT lack of jobs, but lack of a match between existing jobs and skills developed.

Funding seems to be one of the issues of employability. Most high quality training programmes require students to be in class fulltime for two-three months and this becomes unaffordable for

the vast majority of the poor both in terms of opportunity costs of time as well as the fees required by the private sector training institutes. Here, the solution could be for the government to act as financiers for the needy.

Another biggest challenges before proper skill development is the public perception on skilling, though India is moving ahead with a good pace but the perception about vocational training still remains blur. It is considered as the last resort where a person has failed to enter the formal education system. It was observed lately that around 90% of the jobs are skill based where vocational training is of utmost importance, whereas in reality only 2% of the population (15-25 years age group) are enrolled for vocational training in India as compared to 80% in Europe and 60% in East Asia.

There is a gap of understanding between what the requirements of industries are and what the authorities provide or impart to young people. The system has been largely devoid of industry/employer linkages. Most of the vocational training programmes are not aligned to the requirements of the industry. As a result unemployment continues to coexist with lack of required skilled people.

Skill development programmes of the Central Government over the years have been spread across more than 20 Ministries/Departments without any robust coordination and monitoring mechanism to ensure convergence. This has resulted in multiplicity of norms, procedures, curricula, certifications etc. Further, many of these skill development initiatives often remain unaligned to demand, thus defeating its entire objective.

There are various grant based, “free” training programmes available today, though necessary, have their own limitations especially on quality and employability. Students undergoing training for “free” attach little value to training whereas training providers focus on increasing their numbers rather than quality of training.

The availability of good quality trainers is yet again a major area of concern. There is a lack of focus on development of trainer training. And absence or inefficiency of the same would result in serious hindrance in the implementation of skill development projects. In India, the gross

requirement of trainers is approximately 79,000. Furthermore, the annual incremental requirement of trainers is approximately 20,000, whereas at present the current annual capacity of the trainers is only 2,000.

Another biggest challenge of skill development in our country is that 93% of the workforce is in informal/unorganised sector. Consequently it is difficult to map existing skills in the unorganised sector and gauge the skilling requirement in the sector. On the other hand, the rate of job growth in informal sector is estimated to be twice that in formal sector. Around 93% of the Indian workforce is employed in the unorganized or informal sector, which lacks any kind of formal skill development training. Barely 2.5% of the unorganized workforce reportedly undergoes formal skill development in comparison to 11% of organized sector. In addition, only around 12.5% and 10.4% of the workforce in the unorganized and organized sectors, respectively, undergoes informal skill development. This indicates that around 85% of the work force in the unorganized sector does not imbibe any form of skill development —formal or informal.

In India, women also form an integral and substantial part of the workforce; but the rate of working percentage of women in total labor force is declining. Census data has revealed that there has been a continuing fall in labour force participation rate of women from 33.3% to 26.5% in rural areas and from 17.8% to 15.5% in urban areas between 2004 and 2011. This depicts the under representation of women in the workforce and results in the wastage of the demographic dividend to India. Moreover, women in India are mainly concentrated in the informal sector and are engaged in low paid jobs with no security benefits. This represents lack of employment opportunities and skills for women workforce. Currently, a majority of the female workforce in India is unskilled, i.e. a very low percentage of women have any kind of formal education

The private sector's participation is seen to be very low in terms of curricula development and policy making for vocational training as per the industry norms and requirements. Reason being private sector institutes located mostly in urban areas leaving rural population without such benefits

One of the important requirements for the proper implementation of the skill and training development programs is the availability of the basic infrastructure for the same. It has been noticed that many skill development institutions suffer from lack of proper infrastructure.

After assessing the multifold challenges in India for skill development, there is a need to provide skill support at different levels of different nature that would lessen the overall challenge of job creation for skilled youth. While it is estimated that at least 1.70 crore will enter the workforce every year for the next 7 years. The current annual skilling capacity is inadequate to match this demand, with many initiatives un-aligned and suffering from a lack of coordination. The situation is further complicated by different states having different demographic situations. The Ministry of Skill Development and Entrepreneurship however, will have a crucial role in coordination between a range of stakeholders – including skill training providers, governments at all levels, and the end beneficiaries. For this many initiatives have been taken by various agencies to realize the objective of “Skill India”.

Conclusion

Employability skills are increasingly seen as relating to global perspectives and attributes. Therefore the higher education institutes should commit themselves to enhance the employability of students and make that their prime concern. The above stated issues and challenges should be taken care of by various stakeholders. The Universities should commit to enhancing the employability of all their students, undergraduate and postgraduate, in order to enable them to compete and flourish in a competitive, fast-moving knowledge-based economy. The mission statements of varsities should be to produce graduates fully equipped to achieve the highest personal and professional standards. They should strategically align their requirements to student employability and graduate attributes throughout by embedding graduate attributes and employability in all their curricula, and equip their students to compete in the global marketplace; producing graduates with socially and economically valuable attributes and expertise; increasing student satisfaction with the opportunities and support for developing their graduate attributes and employability; equipping their graduates with the expertise and graduate attributes they need to achieve their full potential within the global community; and brokering

strategic partnerships between academics, industry, specialists and other institutions to enhance the development of graduate attributes in all students’.

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