

Exploring Employability through Management Education: Retrospective Analysis and Future Prospects

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Abstract

The rapid expansion of business schools across India has addressed the growing demand for MBA graduates, but this growth has come at the expense of quality. According to an ASSOCHAM report, only 7 percent of MBAs graduating annually are employable. Factors such as inadequate quality control, poor infrastructure, underqualified faculty, and low-paying campus placements contribute to this B-school crisis. Many institutions fail to keep pace with global business trends, resulting in outdated curricula and teaching methods.

Management education in India is increasingly criticized for its diminishing relevance in today's fast-evolving business landscape. Graduates often possess skills that only facilitate incremental changes, leaving them ill-prepared for the dynamic needs of modern organizations. The traditional education model designed for past business environments cannot produce the innovative leaders required in today's market.

Employers are now placing greater emphasis on skills like creative problem-solving, managing uncertainty, and teamwork, rather than merely evaluating technical knowledge. Outdated evaluation methods, such as interviews and group discussions, are being replaced by business case studies and scenario-based assessments. However, the lack of work experience among most MBA students presents a major challenge, as they struggle to understand the real-world complexities faced by industries. The need for a significant transformation in management education in India is urgent.

Keywords: Management Education, Skill-Based Education, Industry-Academia Relationship, Effective Management

Introduction

As highlighted by an ASSOCHAM report, only 7 percent of MBA graduates are employable, despite the high demand for them. Key contributors to this issue include inadequate quality control, substandard infrastructure, poor faculty, and low-paying campus placements. B-schools in India have largely failed to continuously update their

faculty and curriculum in line with emerging global business trends, making their content increasingly irrelevant. Only a small fraction of graduates, approximately 10 percent, possess the skills necessary to meet industry needs.

Employers are shifting their focus from merely assessing technical and functional capabilities to valuing skills like creative thinking, ambiguity management, and collaboration. Traditional evaluation methods, such as interviews and group discussions, are being phased out in favor of business case studies and scenario-based assessments. However, many students, lacking prior work experience, fail to grasp the real-world challenges industries face, further widening the gap between academic learning and practical application.

The disconnect between theoretical knowledge and practical experience continues to be a major issue in management education. As the saying goes, "Theory is when you know something that doesn't work; practice is when something works, and you don't know why." This disconnect is a common challenge for MBA graduates entering the workforce. To address this, it is critical to reshape management education to not only impart theoretical knowledge but also create employable graduates who understand the practical realities of the business world.

LITERATURE REVIEWS:

1. Moon (2004) - Learning and Employability

Moon emphasizes that reflective learning is essential for employability, as it allows individuals to critically evaluate their learning and experiences. Reflection helps learners understand their strengths and areas for improvement, enhancing their adaptability in the workplace. Moon argues that employability is not just about acquiring knowledge but also about being able to reflect on and apply that knowledge effectively. Reflective learners are better equipped to face challenges in dynamic work environments. This ability to continuously learn and adapt is pivotal in improving employability. Overall, reflection underpins many other employability skills.

2. Yorke (2006) - Employability in Higher Education: What It Is – What It Is Not

Yorke explores the deep connection between higher education and the economy, challenging the notion that employability only applies to young graduates. He highlights the need to include older graduates in the employability conversation, as they bring valuable experience and potential to the workforce. Yorke argues that employability should be considered across all age groups, recognizing that older graduates often face unique challenges in the job market. His study calls for a broader understanding of employability that spans different demographics. He critiques the narrow focus on young graduates, advocating for inclusivity. This perspective widens the scope of employability discussions in education.

3. **Andrews and Higson (2008) - The Muslim Project: Education, Employment, and Graduate Employability**

Andrews and Higson's study focuses on enhancing employability in undergraduate business and management education. The research emphasizes the importance of integrating key competencies into curricula to improve graduate readiness for the job market. They propose a set of "meta-indicators" for employability, which help measure different levels of competencies. The study draws attention to the need for practical, business-focused skills that align with industry demands. By evaluating these competencies within the curriculum, the study provides a framework for better preparing students for the workforce. It highlights the gap between academic learning and employability and suggests curriculum reforms to bridge it.

4. **Lowden et al. (2011) - Employers' Perceptions of the Employability Skills of New Graduates**

Lowden and colleagues provide a qualitative analysis of employers' views on the employability skills of recent graduates. The study reveals a mismatch between what employers need and the skills graduates possess. Employers highlight the importance of not just technical knowledge, but also soft skills such as communication, teamwork, and problem-solving. The research offers insights into how employers value both functional skills and the ability to adapt to the workplace. By gathering perspectives from various stakeholders, the study provides a holistic view of employability gaps. This helps shape future educational strategies to meet industry demands more effectively.

5. **Sabates Arnau et al. (2013) - Learning Basic Employability Competencies**

Sabates Arnau and colleagues focus on the development of employability competencies in adolescents transitioning from residential care to adulthood. Their research examines how competencies such as self-organization, perseverance, and career planning are critical for young people's development. The study provides a conceptual framework for understanding how these skills help young individuals succeed in both personal and professional contexts. It highlights the unique challenges faced by adolescents in residential care and the importance of tailored support to enhance their employability. The findings underscore the need for comprehensive development programs for these youth. The study offers practical solutions for supporting their transition to adulthood and the workforce.

6. **Jagannathan and Geronimo (2013) - Skills for Competencies, Jobs, and Employability in Developing Asia-Pacific**

Jagannathan and Geronimo discuss the private sector's role in skill development in developing regions like Asia-Pacific. The study presents case studies from the BPO and maritime industries to illustrate how sector-specific skills can be cultivated. It highlights the importance of aligning skill development programs with industry requirements to improve employability. The research offers guidelines for proficiency tests that assess relevant skills in various sectors. By focusing on real-world examples, the study emphasizes the need for collaboration between education providers and industry. It provides actionable insights for improving employability in rapidly growing economies through targeted skill development.

7. **Nair (2015) - Employability Gap: A Bottleneck in the Progress of Organizations**

Nair's study examines the gap between the skills management graduates possess and the expectations of employers in Gujarat. It identifies critical deficiencies in the employability of management students, focusing on skills like communication, problem-solving, and practical business knowledge. Employers express concerns that graduates are not adequately prepared to meet industry needs, contributing to the employability gap. The study suggests several ways to bridge this gap, including curriculum reform, better industry-academia collaboration, and focused skill development. By addressing these challenges, the research aims to enhance the employability of future graduates. It highlights the urgency of improving management education to meet industry demands.

8. **Gowalla and Kumar (2015) - Employability Skills: A Literature Review**

Gowalla and Kumar analyze the curriculum design process and the employability of MBA and engineering students in India. The study discusses the challenges graduates face in the competitive Indian labor market, where employers seek multi-tasking and adaptable individuals. It highlights the need for a more dynamic curriculum that prepares students for real-world challenges. The review identifies key employability skills, such as communication, teamwork, and problem-solving, that are essential for success. The authors argue that graduates must possess a broad set of skills to remain competitive. Their study calls for a reevaluation of how educational programs are designed to meet these demands.

9. **Karunaratne and Perera (2015) - Students' Perception on the Effectiveness of Industrial Internship Programs**

Karunaratne and Perera explore the effectiveness of industrial internship programs at the University of Moratuwa's Department of Textile. The study examines student perceptions of the value of internships, finding that practical job experience, allowances, and other benefits are highly valued. Students ranked

creative activities, research, and project work less favorably, highlighting a preference for real-world exposure over academic tasks. The research suggests that internships should focus more on providing hands-on experience that aligns with industry needs. By addressing students' preferences and industry requirements, the study offers insights for improving internship programs. The findings emphasize the need for practical learning in higher education.

Research Problem

Employability and Management Education: A Prospective and Retrospective Analysis

The issue of employability is a significant concern in the field of management education, particularly in the context of a rapidly evolving global economy. As businesses demand more from graduates in terms of skills and adaptability, there is a growing need to critically evaluate the effectiveness of current management programs. This study seeks to analyze the relationship between management education and employability, addressing both the present challenges and opportunities for improvement.

Research Objective

1. To assess the effectiveness of the course content and teaching methodologies in management programs in enhancing employability.
2. To evaluate the overall employability skills of students entering the job market after completing their management studies.
3. To compare the employability of management graduates based on their chosen specialization areas.
4. To propose measures to improve employability skills among MBA students.

Methodology

This research is based on secondary data collected from a range of sources, including academic journals, books, research papers, and relevant websites. The study synthesizes existing information to analyze the challenges in management education and its impact on employability.

Problems and Challenges of the Current System of Management Education

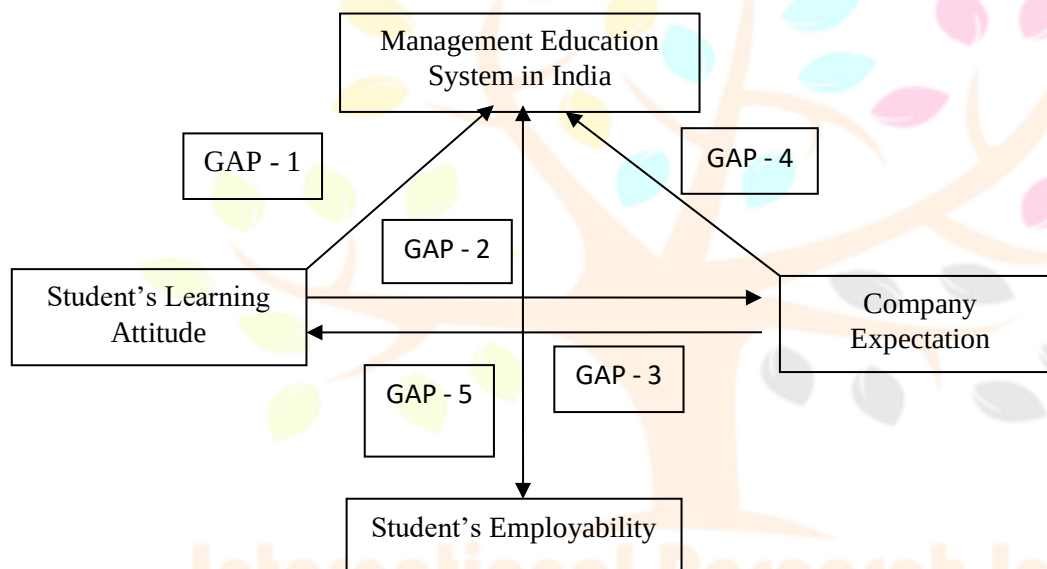
Employability has become a strategic focus for educators, as the main goal of management education is to prepare graduates for the workforce. However, the current curriculum and teaching methods face specific challenges that hinder the employability of students. These issues require immediate attention to ensure management graduates are adequately prepared for the modern job market.

1. Changing Environment

The rules of business have shifted dramatically due to globalization and technological advancements, presenting new challenges:

A. The service sector is now the fastest-growing and most significant contributor to national income.

- B. Employment opportunities in the public/government sector have reached saturation.
- C. Increasing job opportunities are found in the service sectors like retail, banking, insurance, telecom, and hospitality.
- D. IT and service sector jobs emphasize English communication and other soft skills.
- E. Jobs are becoming less dependent on degrees and more on practical skills.
- F. Soft skills, such as communication and teamwork, are now critical requirements.
- G. Companies in the service sector are increasingly looking for "ready-made" employees, as they are less willing to provide extensive training.
- H. The system in India must adapt to these changing needs to remain relevant and effective.

FIGURE 1.

Areas of gaps in the Indian management education system

Source: Sehrawat & Pillai (2018)

2. EMPLOYABILITY ISSUES: Many institutions have decent physical and technical resources, but some regions have challenges. In addition, an institution's quality depends not only on the quality of the facilities but on several other variables that are just as important. The bad faculty and lack of study specialization are the weakest areas of results in most B-schools. This shows the existence of several gaps in the management education systems, as shown in figure 1.

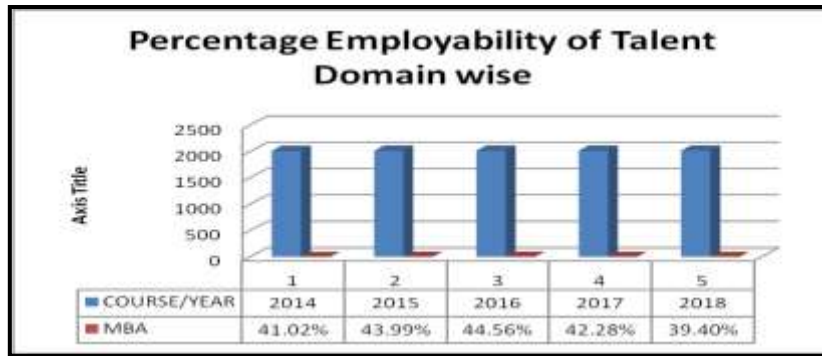
Table 1 indicates the employability of various disciplines in the past seven years. It is observed that 54% of the MBA graduates secured employment during 2020 compared to 39.4% and 36.44% in 2018 and 2019, respectively.

Only 15% of our boys and girls passing out of college have the skills to become employable.

TABLE 1: Percentage Employability of Talent Domain wise

COURSE/YEAR	2014	2015	2016	2017	2018
MBA	41.02%	43.99%	44.56%	42.28%	39.4%

Source: India Skills Report 2018



THE PEDAGOGICAL CHANGE- THE AAA APPROACH

A professional course like management is so dynamic that any particular textbook or study material is inadequate.

Changes are taking place in every sphere. International Financial Reporting System will be implemented, which will bring revolutionary changes in accountancy, as all the existing standards will become obsolete.

After successfully implementing Basel I and Basel II, the banking sector has to confirm Basel III guidelines. Direct Tax code is going to be implemented soon, bringing significant changes in the field of Taxation. So there is a dire need for both students and faculty members to upgrade themselves through regulatory websites, academic journals, and research publications.

This needs to implement the AAA approach to step further in this direction. AAA is an acronym for Acquisition Application and Assimilation of knowledge. This approach emphasizes students to learn through the application of acquired knowledge and to make meaning of the knowledge gained and experienced by understanding one's roles and responsibilities towards business, relationships, and society. This needs working towards the following steps.

- a. Focus on Inventive education by offering the practical, innovative, and technology-driven program.
- b. Design thinking and innovation: Design thinking, if included in the MBA curriculum, will be a groundbreaking contribution to Management education in India. Design is a thinking process that applies to manufactured creation, whether a business model, product, service, process, or strategy. It is a process that leads to human-centered innovation. Design thinking is needed to be adopted into the mainstream thought process in all functional streams and at all levels in the organizations. The design programs can be conducted in institutions, where innovative prototypes created by students and faculties are exhibited after identifying latent needs, field research, business cases. The concept for prototyping can be from all areas like social entrepreneurship, agribusiness, and healthcare. The objective should be to identify and solve problems like fuel growth. Top-level corporate executives can attend the programs, and the students can have a corporate interface.

2. STUDENT EMPLOYABILITY PROFILE GUIDE FOR MANAGEMENT EDUCATION

Universities and Management institutes can prepare and provide student employability profile guides, which will benefit the institutions and faculties. This guide will help the students to identify a range of employment-related skills acquired through their course structure. It will encourage them to think about ways to develop other competencies and abilities outside their course.

The Student Employability profile should identify skills that can be developed by studying subjects in the course. These skills need to be mapped against inputs from corporate employers regarding the employability skills, competencies, and attributes they value while recruiting. The list will represent the key competencies employers observe in individuals who can transform organizations and add value early in their careers. The list may include:-

- **Cognitive Skills/Brainpower:** The ability to identify, analyze and solve problems; work with information and handle a mass of diverse data; assess risk and draw conclusions. (Analysis, Attention to detail, Judgment)

- **Generic Competencies:** High-level and vital transferable skills such as working with others in a team, communicating, persuading, and having interpersonal sensitivity. (Image, Influencing, Interpersonal Sensitivity, Planning, and organizing, Questioning, Teamwork/ Working with others, Written Communication)

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PERSONAL CAPABILITIES: The ability and desire to learn for oneself and improve one's self-awareness and performance – lifelong learning philosophy, emotional intelligence, and performance. To be a self-starter and to finish the

job (Achievement Orientation, Adaptability/Flexibility, Creativity, Decisiveness, Initiative, Leadership, and tolerance of stress)

- **TECHNICAL ABILITY:** For example, having the knowledge and experience of working with relevant modern laboratory equipment. The ability to apply and exploit information technology (Technical Application, Technical Knowledge)
- **BUSINESS AND ORGANIZATION AWARENESS:** Having an appreciation of how companies Operate through (preferably relevant) work experience. Appreciation of organizational culture, policies, and processes through organizational understanding and sensitivity. Ability to understand basic financial and commercial principles (Commercial Awareness, Financial Awareness, Organization Understanding)
- **PRACTICAL ELEMENTS - VOCATIONAL COURSES:** Critical evaluation of the outcomes of professional practice; reflect and review own practice; participate in and review quality control processes and risk management.

THE STUDENT EMPLOYABILITY PROFILE GUIDE SHOULD INCLUDE

A Academic specific/Curriculum specific information

1. Work-related skills developable through a study of the particular subject
2. Summary of knowledge taught
3. Skills mapped against inputs of Skills requirements from the corporate world.
4. List of typical career path

B Employability Specific Information

- 1 Employers criteria
- 2 Glossary of competencies
- 3 Glossary of terms: Descriptive criteria and indicators of employability competencies
- 4 Test materials based on employability competencies designed to evaluate achievement of Students in skill development.

C PERSONAL DEVELOPMENT PLANNING

Personal Development Planning (PDP) is "a structured process undertaken by individuals to reflect on their learning, performance or achievement and to plan for their personal, educational and career development" (QAA 2000)

The PDP can provide students with evidence to convey their achievements to an employer. The student Employability Profiles can offer a range of resources to help students engage with PDP. The Skills and Attributes Map could encourage students to identify the skills they are developing through study and how these relate to those competencies that many employers values. The Reflective Questions can be used in conjunction with this material to help students evidence their achievements using a vocabulary appropriate to the recruitment process. "Employers used to ask potential employees what they had done and, implicitly, what skills they had acquired. Now they ask what it is that students have learned from their experiences and, implicitly, how well equipped they are to learn and continue learning."

While designing the Student Employability Profile Guide, there is a need to revisit the relationship between current curricula and employability. Course and Curricula Audit can provide an opportunity to identify existing good practices and consider how the gap can be filled.

'The Student Employability Profiles can give employers a significant insight into the benefits of recruiting a student from the Management Institute... By highlighting the relationship between academic skills and knowledge and employability competencies, the profiles will contribute significantly to employers' understanding of these subjects' nature and help them consider how these students could contribute to their organization.'

3. OTHER SUGGESTIONS

FACULTY-STUDENT RATIO- QUALITY, NOT THE QUANTITY OF FACULTY

The critical variable for enhancing the employability of students is the faculty-student ratio and quality of faculty. The professional excellence of faculty can be judged by their academic qualification, experience in the academic and corporate sector, and the number of research publications in each academic session. The corporate interface of the faculty members can be evaluated by

- 1 The number of Management Development programs and executive development programs organized by him as a resource person
- 2 The number of consultancy projects handled
- 3 The number of national/international awards received

CONCLUSION

Management education in India must undergo significant revitalization to align with industry expectations and improve student employability. Emphasizing innovative teaching methodologies, enhancing digital infrastructure, and fostering corporate sector partnerships are crucial steps. The AAA Approach—Acquisition, Application, and Assimilation of knowledge—should guide curriculum development, focusing on practical skills, creative problem-solving, and real-world applicability. Developing Student Employability Profiles will bridge the gap between academic learning and job market needs, showcasing the practical competencies of graduates. By implementing these strategies, management education can better prepare students for the dynamic demands of the global workforce and enhance their career prospects.

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