Perceptions of Employability among Employers in Bangladesh

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Abstract: Employability is seen as the ability of the individual that deemed essential for the future functioning of the organization of the employers. It is the main building block of the production process. General trends showed that employers’ did not consider job sustainability, career development and job satisfaction as employability. This paper examines the employers’ perception about employability in different public and private organizations. To fulfill the research objectives, this study carried out interviews followed by a semi-structured questionnaire. Organizations responsible for large scale recruitment in public sectors and different private organizations were taken as samples purposively and run Mann-Whitney U test. Estimated result suggested that there is no significant difference of the opinions about the definition, determinants and embedment of employability between public and private employers as the P-value is greater than the convenient level of significance.

Keywords: Employability, Perception, Population dividend, graduate job, Bangladesh J21, J24, J28

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I. Introduction

Understanding of employers’ perception of employability is very crucial for a labour abundant country like Bangladesh. Employability is not only secure employment; it is more than that[1]. In a globalized knowledge based world, both knowledge and technology are changing rapidly. This change has made an effect in the production engineering and process engineering; old became obsolete, new one set in. Therefore, employers in industry or in service sectors are struggling to keep pace with this change. A wider spread supposition is that there is a huge mismatch between graduates with skills and knowledge available in the labour market and the skills and knowledge sought by the employers[2]. In Bangladesh the education policy 2010 has stated that the objective of higher education will be to disseminate knowledge and create new knowledge and develop skilled manpower. Higher education should be related with the real context of Bangladesh, so that higher educated manpower can be able to identify problems and provide appropriate remedies to them[3].

Since 2007, Bangladesh has been enjoying population dividend, it has had more working age population than non-working age population and this opportunity will continue till 2040 [4]. Out of 158.5 million populations, working age population is more than 65% that is 106.1 million. Bangladesh was not able to capitalize this population dividend due to incapacity to create adequate number of job for them. Only 62.1 million working age population is in the labour force while 44.0 million remain outside the labour force [Quarterly Labour Force Survey (QLFS), Bangladesh Bureau of Statistics (BBS)][5]. World Bank has recently graduated Bangladesh as a lower middle income country [6]. To reach the middle income threshold by 2021. However, industrial sectors contributions to GDP need to be increased to 37% within 2021. However, journey towards middle income country will remain unfulfilled without generating productive high income jobs and economic growth and that can only be possible by a strong and competitive manufacturing sector within the broad industrial sector [7].

In Bangladesh, unemployment rate is still high, overall unemployment rate is 4.07% in 2016 [8]. Youth (age 25-29) unemployment rate is defined as the proportion of unemployed youth to the total population in the youth labour force [9]. Youth population was 23.4 million while 1.9 million of them (8.1%) were unemployed. It is noteworthy that among 1.9 million unemployed youth, the rate of unemployment is the highest among the tertiary level educated youth (16.4%). This is the indication of incapacity of the industry and service sectors to absorb surplus labour from the agriculture sector. Like Pakistan[10] and other developing countries in Asia, Bangladesh has been experiencing jobless growth [4,11]. The scarcity of job can clearly be understood by the recruitment related data of Bangladesh Public Service Commission (BPSC) and Bankers Recruitment; and both offer large scale employment. The BPSC is responsible to select first class civil servants (known as Cadre Officers and at entry level hold 9th grade position according to the Pay Scale 2015)[12] for working in public sector through Bangladesh Civil Service (BCS) Examination. The BPSC recently has recommended for the
second class job[12] from those who passed BCS exam (obtained pass marks) but could not able to take a place to be selected for the cadre posts. On the other hand, Banker’s Selection Secretariat of Bangladesh Bank is entrusted to select bank officers for public and specialized banks. Moreover, other private banks, companies in broad industrial sector, service sectors offer and select employees by their own means, but those are seldom in large scale. The BPSC has recently called for the application for 38th BCS while 37th BCS exam has not yet been completed. In 37th BCS exam, the number of applicants was 2,43,476 and the number of vacant postare 1,226 and in the 38th BCS, 3,46,446 applicants have submitted online application form and the number of vacant posts are 2,024. In 37th and 38th BCS, 2,43,476 and 3,46,446 candidates respectively will try their fate to grip the job [13]. The ratio of candidate to vacant post are in the said batches approximately are 20:1 and 171:1 respectively. This frustrating figure tells the scarcity of dignified job/graduate level (9th & 10th Grade) job in the country.

In one hand, due to paucity of enough jobs, bulk of the young labour force remained unemployed, underemployed; on the other hand, foreign workers occupied a significant number of jobs in Bangladesh. The Daily Star on 31st December, 2015 reported that in Bangladesh the numbers of foreign workers are increasing day by day; in December, 2015 the number 2,024. It has mentioned that foreign workers sent 5 billion dollar to their home in 2014 from a Bangladesh Bank source. Other than these documented foreign workers, there are undocumented foreign workers too and their number is not[14]. The presence of these foreign workers is mainly in garment sector and few others in the large scale construction sector and power sector. They mainly come from India, China, Russia, Thailand and Singapore etc. However, the reason of hiring foreign workers is the scarcity of technical knowhow among local manpower. These workers work for designing, cutting and washing areas in the garment sector.

There is not enough scope for the higher educated as well as less educated young workforce to secure a job in the labour market due to unavailability of jobs up to their standard. On the other hand, employers recruit foreign workers for the dearth of requisite skills and technical knowhow among young job seekers. This study is an attempt to address the employer’s expectations of skills and technical knowhow from the job seekers which they deemed essential for their future employees. To address this issue it is essential to learn what does employability mean to the employers’, what are the determinants of employment and whether there is any lack of employability skill among the young job seekers and what are the remedies. The answer of these questions will certainly help the young job seekers to better equipped with these skills and feel confident for employment. However, thought the scope of this research is limited due to small sample coverage, it still presents a glimpse of perception of employability and its determinants from employer’s point of view and their opinion about how to enhance employability in young job seekers. It will help the young unemployed population to gauge their employability potentials in the prevailing labour market where the supply of labour force is abundant than available jobs and take initiative to develop/enhance employability. Moreover, it will also help higher education institutions and policy makers to revisit higher education programs. Since government invests in higher education to increase human capital and the general expectation is that higher education will instill the learning outcomes which employers value[15]. Therefore, it is higher education institutions that can bear the responsibility to embed employability among young graduates through designated program and incorporate employability in higher education goals[16,17]. Above all, in a globalized world, workforces do not meant only for domestic employment, a country with 16 million population should prepare its young labour force for the world of works.

II. Literature Review

Many researchers investigated perception of employability from different point of view and in varied interest. Perception is a subjective phenomenon, and without presence of universally agreed definition of employability, the outcomes of investigations differ substantially. Berntson (2008)[18] investigated perception of employability by choosing a definition which suited to his perception and investigated nature and determinants of employability using Common Method Variance. The finding was that employability perceptions differed not only on self-evaluation, situational factors also important to construct this perception.

A good number of researchers have explored how far higher education institutions are able to embed employability among students[19,15,20]. Because investment in higher education increases the stock of human capital and it is a source of national wellbeing. Some scholars tried to concretize the determinants of employability[21,22].

III. Overview of the definitions of Employability

Over the years the definition of employability has evolved. Some scholars viewed employability from individual perspective, some viewed from organization perspective and some viewed form macro perspective. “The term is used in a variety of contexts with a range of meanings and it can lack clarity and precision as an operational concept”[23]. The practical application and widespread adoption of the employability concept is
limited because of debate surrounding its definition [24]. Researchers have studied multiple stakeholders’ views of employability, from different angels (individual, organizational, Macro, academic, career development etc) but yet to reach any consensus about its definitions and theoretical frameworks.

“Employability is about having the capability to gain initial employment, maintain employment and obtain new employment if required” [23]. Many countries and universities used first part of this definition (i.e., Employability is about having the capability to gain initial employment) to develop and embed employability and incorporate employability into higher education goals [25]. The second part of this definition is about sustainability in job or remain attractive to the employers. That is how competently employee performs his/her job, value organization culture, have good relationship with juniors and seniors, adapt with changes and ready for transition. The third part is concerned with career development, ambition as well as security. If present working condition is not welcoming or rigid or natural inquisitiveness to change the nature of job or ambition for better something, in that case ability to obtain a new job is required to sustain employment. Hillage and Pollard (1998)[23] identified four essential component of employability, these are:-

i. Person’s asset- Knowledge, skills and attitude
ii. Deployment- career management skill (job searching skill)
iii. Presentation- job getting skill (CV writing, work experience and techniques to face interview)
iv. Context-personal circumstances (family responsibility) and external circumstances (job market condition)

It is not only important to have knowledge of one’s own assets, but how to market and sell them is also essential. In addition to that the relevance of one’s own asset to the employment opportunities available or labour market situation may affect job seekers willingness to undertake training and other activities designed to upgrade their skills.

Again “Employability is the confluence of understanding, subject specific and generic social practices (or skills), metacognition (reflection or strategic thinking) and incremental self-theories” [15]. The macro perspective of employability analysis mainly focused on policy issues, be it national or for any large regional or for any large group of people. In England “New deal” program of 1998 has been designed to enhance employability for a certain group of people who have difficulties in the labour market. Organizational analysis use employability as a tool and makes it more flexible by considering the perspective of both supply and demand of labour market. This research particularly focused on development of employability skills among job seekers from employers’ point of view.

However, employability has been viewed in different ways by other scholars. Employability is

i. having satisfying job- getting job upon one’s ability[21];
ii. having a job and remain employable- security & sustainability [26.]
iii. having a job, remain sustainable in the job and ready for change of job if required- security & sustainability [24].
iv. “work specific active adaptability” that enables workers to move forward for better opportunities-sustain employment & career development [27]
v. a “developmental” issue, by incorporating it in higher education goals, it can be embed through redesigning higher education program [21]
vi. a tool, which balanced both demand and supply side of the labour market [28].

IV. Determinants of Employability

Employers often judge the academic endeavor by the examination grades that how successfully graduates have completed their academic degrees as it is only available to them [29]. In Bangladesh having third class/division at any level of education restrict a person from applying for most graduate level jobs, BCS exam, banking recruitments and other corporate houses. In a report European commission has remarked that “Beyond occupational skill, employers are increasingly demanded transferable skills, such as ability to work within a team, creative thinking and problem solving”[30]. However, in Bangladesh these types of skills are rarely assessed at the time of recruitment process. Researchers have developed different models of employability where many skills are included as determinants of employability. Pool & Sewell (2007)[29]developed the Career EDGE model which includes experience, degree -subject knowledge, generic skill and emotional intelligent for employability.

The Career Centre of Sydney University has identified following indicators of employability. These are:-

i. Communication skills
ii. Team work skills
iii. Problem solving skills
iv. Initiative and enterprise skills
v. Planning and organizational skills
vi. Learning skills
vii. Technology skills
viii. Management skills

Employability is not a static characteristic of a person, it is related to time and place and this are subjected to change. One of the renowned models of employability is USRM [31] (where understanding, skills, self-efficacy belief -can do whatever necessary [29] and metacognition-reflection and strategic thinking [15] is the determinants of employability. The Centre of Employability (CFE) of University of Central Lancashire (UCLan) developed a most practical model of employability which is known as DOTS Model[32]. Dots model included decision making skill, Opportunity awareness skills (know what work opportunity exists and its requirements), Transition skill (Job searching and self -presentation skill) and self-awareness (interest abilities and values). All the above models have some strengths and weaknesses too. These determinants included in different models to measure employability reflect how the researchers perceived employability definition is. “Employability is the propensity of graduate to exhibit attributes that employers anticipate will be necessary for the future effective functioning of their organization” [33]. In this study the primary determinants of employability is selected on the basis of Harvey’s definition where employability is judged by the employers’ at the time of recruitment process. In addition to that determinants are also selected on the basis of recruitment process which is often consists with 1/2/3 hour/s written test and viva voce or anyone of them. In most cases written exam has question on English to judge candidate’s knowledge on English, general math to learn about candidate’s excellence in using numbers, and general knowledge to gauge how the candidates is up to date with the national and global scenario.

V. Research Design and Methodology

This is an explorative study based on qualitative research design. Perception is a mental state, employers perception about employability phenomenon can vary as there is hardly any agreed definition of employability. Perception of employability among employers’ will result employment though some remain skeptical that reality may differs. However, perception of employability for an individual employer may not translate into employment. Since perceptions reflect on an individual’s behaviours[18] and there is no mechanism to measure an individual employer’s perception of employability and his/her action on employment. Therefore this study considered that employer’s perception on employability should influence on his/her employment decisions. Recent researches focused on employability from individual point of view [28] and from the supply side perspective. In this research, employability is investigated from the perspective of an ‘individual’ attributes and abilities and ‘demand’ of the employers. That is, how the employers perceived employability in the real world, what abilities and attributes of an individual employee that deemed essential by the employers’ for getting a job in their organization. Sustainability in job is not considered here. In addition to that employability is regarded here to develop employability among graduates for survival and security, not for career development. In this study researcher designed a semi-structured questionnaire by using different definitions of employability from previous researchers though different researchers worked in this area using their own definition of the employability (self-perceived employability) terminology or borrow or mix definition of employability with their own perception. In this study, three definitions which covered three dimension of employability (Harvey 1999, 2001 and Hillage& Pollard 1998) was given to the respondents in the questionnaire to consider whether any one of the definitions encompass their perceptions of employability. Then respondents were requested to give tick mark if they agreed with any one of the definition onto construct a new one to explore respondent’s (employer’s) perception of employability. A lot of determinants have been identified by the previous researchers as there are considerable variations in the definitions. The questionnaire included determinants of employability into three broad areas; these are i) acquired skill, ii) generic/transferrable/metacognitive skill and iii) occupational skill which might be essential for a particular job/s. Personnel who are responsible for recruitment or have some affiliation in the recruitment/employees selection process, for example head of human resource manager/ senior officers from different manufacturing companies, senior level officer/s from Bankers Recruitment of Bangladesh Bank, senior level officers from PSC were taken as respondents. The researcher constructed a five points Likert scale to extract data to realize research objectives. The researcher only included employers from Dhaka, no systematic/statistical method was followed to select respondent as employers/ managers were not much willing to respond to certain part of the questionnaire. However, respondents were selected from those who were willing to cooperate and respond to every part of the questionnaire. Attributes/ determinants of employability were chosen considering graduate job (9th & 10th grade jobs in Bangladesh) from the previous study studied by different scholars. It is very difficult to draw a boundary what a graduate level job is? The presumption was that the job was considered as graduate level job that need the skills and knowledge people acquired from the tertiary level of education.
VI. Result & Discussion

Researcher analyzed respondents’ view on definition of employability, its determinants and ways to embed employability. Mann Whitney U test helps to estimate differences of views between employers of private and public organization. Estimated result was insignificant since p value is greater than 0.05. Employers were asked to exhibit their perceptions about employability by giving tick mark in any one of the given definition in the questionnaire if the definition match with their perception or to construct a new one. Majority of the employers (45.5%) were in favour of Harvey’s definition (Harvey, 1999) where employability is regarded as the abilities or attributes of the employees which employers found appropriate and necessary for the future functioning of their organization. Sustainability in job and carrier development was not emphasized by the employers. In addition to that, job related to subject area or interest area or job below the level of education (lower post) or low paid job (under employment) were not emphasized. The reason may be due to the mismatch between the supplies of graduate level jobs to the number of young educated graduates.

About the determinants of employability, the researcher developed five point Likert scale ranges from ‘strongly agree’ to ‘strongly disagree’ and respondents were requested to weight their responses in three categories of determinants namely acquired skill and soft skill, Generic skill and transferable skill and occupational skill. Table-1 shows their opinions in percent form where ‘strongly agree’ and ‘agree’ are combined as ‘agree’, ‘strongly disagree’ and ‘disagree’ are combined as ‘disagree’ and neutral that is undecided about the statements.

| TABLE-01: Employers’ responses about determinants of employability in percent form |
|---------------------------------|----------------|-------------|-------------|
|                                 | Agree (%) | Disagree (%) | Neutral (%) |
| 1. Determinants (Acquired skill and soft skill) |       |              |             |
| i. Higher academic degree/year of schooling is more valued | 83.3    | 8.3          | 8.3         |
| ii. Higher Academic result (GPA/CGPA) is more valued | 83.3    | 8.3          | 8.3         |
| iii. Reputation (name & fame) of the education institutions is more valued | 75      | 0            | 25          |
| iv. Higher screening test score (written & Viva voce) is more valued | 83.3    | 0            | 16.7        |
| v. Disciplines from Science is more preferred than that of Humanities Business studies and Disciplines from Business studies is preferred than that of Humanities Science> Business studies> Humanities | 6.3     | 16.7         | 75          |
| vi. Smartness (Manners and etiquette) is desired | 100     | 0            | 0           |
| vii. More experienced in job related field is preferred | 91.7    | 8.3          | 0           |
| viii. Job related training of the candidate is more preferred | 83.3    | 8.3          | 8.3         |
| ix. Male is preferred than female (Gender issue) | 8.3     | 66.7         | 25          |
| x. Younger candidate is more preferred when other ability is same | 58.3    | 33.3         | 8.3         |
| xi. Language proficiency (spoken/written) in English is more preferred | 91.7    | 8.3          | 0           |
| xii. Competency in computer is appreciated | 91.7    | 8.3          | 0           |
| xiii. Good communication skill (Written & Oral) is more valued | 100     | 0            | 0           |
| Determinants (Generic skill and transferable skill) |       |              |             |
| i. Family Background is taken into consideration | 33.3    | 25.0         | 41.7        |
| ii. Tribal & minority are less preferred | 0       | 66.7         | 33.3        |
| iii. Disability is less preferred | 33.3    | 33.3         | 33.3        |
| iv. Teambuilding/negotiation skill is evaluated | 75.5    | 8.3          | 16.7        |
| v. Leadership quality is preferred | 100     | 0            | 0           |
| vi. Innovativeness/creativity is desirable | 91.7    | 0            | 8.3         |
| vii. Analytical and problem solving skill is taken into consideration | 100     | 0            | 0           |
| viii. Decision making skill is desirable | 100     | 0            | 0           |
| ix. Ethical values (job responsibility /time management/ punctuality) is taken into consideration | 100     | 0            | 0           |
| x. Presentation skill is preferred | 83.3    | 0            | 16.7        |

The most sought determinants of employability were smartness, good communication skill, leadership quality, analytical and problem solving skill and ethical values. Experiences, language proficiency, competency in using computer, innovativeness or creativity were second most sought skills by the employers. Private sector mostly valued experience and training as determinants of employability, while public sector in general opposes
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About the perceptions of employers on the employability of graduates, the study revealed that employers have faced difficulties in identifying the skills of the candidates. During the preliminary test, written test, and viva voce, employers declared by the government in the "quickly", evaluations in the subjects of the graduates which as previously employed. They also opined that if graduates do not have job, how they will get experiences and after the completion of education, having general type of training do not always help to get a job. About gender, only 8.3% valued male over female candidate, this indicated change in the attitude of the employers’ which is inspiring to create a working environment free from gender biasness. Respondents participating in the survey did not add any other abilities/skills for their aspiring employees though they have given the option in the questionnaire. About occupational skill, employers’ responses were negative for the entry level officer of general nature of job.

Respondents were also asked to opine how they judge the skills or abilities at the time of recruitment. Their answers were interesting. Among the highest responses, 66.7% of the respondents told that leadership quality is judged by viva voce, 58.3% for analytical ability by written exam, 41.7% for decision making skill by both written and viva. 41.7% respondents opined that they could not able to judge ethical standard of the candidate at the time of recruitment. For example, the Public Service Commission of Bangladesh spent on an average two years to recruit civil servants. The recruitment process includes preliminary test, written test, and viva voce. In preliminary test candidate’s abilities are judged by multiple choice questions in the subjects-Bangla, English, Math, Bangladesh and International Affairs. The candidates who pass in the preliminary test, have to seat for written exam where writing and analytical abilities on subject areas are judged. After qualifying in the written exam, each participant has to face viva voce for approximately 10 to 15 minutes. The viva board consists of three members, i.e., the chairman who is a member of BPSC, a representative from the Ministry of Public Administration and an expert from multidisciplinary background. This process is more or less similar in Bankers Selection Secretariat of Bangladesh Bank. In private sector, recruitment process is fast and less structured. In many cases, especially in small organizations, recruitments is done by giving advertisement in online for very short duration and from the known circle to avoid expensive as well as time consuming screening process from huge candidates. In some cases they communicate with candidate’s previous workplaces if the candidate was previously employed. Therefore, there is little scope in the recruitment process both in public and private to judge the most desired abilities such as leadership quality, analytical ability, decision making skill and ethical values of the candidates.

While giving opinion about embedding employability, respondents’ responses were the highest (91.7%) in favour of introducing more practical classes/placements/internship programs in the higher education curricula so that graduates have some knowledge about real work. They will then able to bridge the gap quickly between theory and real work. It will save the cost and time of the orientation training program of the employers; on the other hand graduates will be more confident in the places of work. Then respondents were in favour of opening career counseling/guidance (83.3%) in the academic institutions, collaboration between university and academic institutions (75%). In Bangladesh, universities especially the public universities do not have career counseling service. Few private universities have it though the nature of service is not satisfactory. Collaboration between universities and entrepreneurs is indispensable. Universities can arrange lecture classes, seminars and workshop where they can invite entrepreneurs to give the students opportunity to learn what is going on in the real world of work, so they can better prepare themselves. Universities need to move towards ‘incubation model’ where universities link students and teachers for innovation. Industries should come forward to facilitate research by investment and take initiative to utilization and commercialization of research outcome. Arranging customize course (75%) is also crucial so that entrepreneurs can have the skill of the graduates which they think essential for the effective functioning of their workplace. It supported the responses they have given about the definition of employability. Respondent’s responses were less (58%) in favour of change curriculum followed by the arrangement of job fair (50%). They pronounced that the problem lied not in the curriculum but the teaching learning processes. Classes are mostly theory based; numbers of practical classes are inadequate. In addition to that in practical classes students do not get sufficient guidance due to the shortage of assistants in the lab.

VII. Conclusion

Analysis of employability is important especially among labour economists though any agreed definition by all is yet to reach. Employers’ perception of employability determinants is crucial in a labour abundant country like Bangladesh where rate of unemployment especially among tertiary level educated youth is highest. On the other hand, there is documented and undocumented foreigners are working in the country. The employers of industrial sector, different trade bodies are complaining about dearth of skill among graduates, a comprehensive study on skill requirements especially for the thrust sectors declared by the government in the Export policy 2015 is imperative. Though limited in scale, this study will help researcher and policy makers to understand employers hunted skills and how to embed them among graduates. Bangladesh can then able to reap the benefit of population dividend by creating more job opportunity for the working age population in the country and beyond without delay.
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