

12. Employability Skills in Commerce Education: A Review

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Abstract

The existence of business lies on the background of Commerce. Commerce education has a vital role to play in today's dynamic global arena, where the challenges to be met are increasing at a faster pace. Commerce education through its existence has tried to develop the skills, personalities of individuals who have created a place for themselves. Commerce education is a wide field which covers a number of avenues available to the students who aspire to have a good career and successful life ahead. But there are many who are not able to use the required skills with Commerce Education. Employability refers to a person's capability for gaining and maintaining employment. This will depend on the knowledge, skills and abilities that they possess, in addition to the way they present those assets to the employers. Employability Skills can be defined as the transferable skills needed by an individual to make them 'employable'. Enhancing the employability skills is considered as an important task within any educational institution. Employability is not about Vocational and Academic skills. The main objective of the present paper is to review the existing employability skills in Commerce Education and offer suggestions to enhance employability skills of commerce graduates space. The study concludes that the educational institutes should work on the path of developing the knowledge and skills of the graduates that will best serve the future era.

Key Words: Employability, Employability Skills, Commerce Education.

Introduction

In ancient India, there was no shortage of employment opportunities for persons willing to work since people were involved in their own traditional occupations. However, the system of employment in India has undergone drastic changes over the years. In modern India, the Government is required to generate employment opportunities for the masses. There is an unending demand for white collared jobs. Access to these modern occupations requires a formal

education and various other specializations which are acquired through schools, colleges, universities and other training centers.

The introduction of Commerce education dates back to 102 years. It was initiated by private commercial institutions. Book keeping and Accountancy were the first subjects to be taught. In 1886, Madras became a pioneer state for basic Commerce education the foundation of which was laid down by the Government of Madras.

Business Environment is dynamic in nature. Therefore, there is a need to produce graduates with skills and competencies that match the needs of the industry if they are to be successful in the job market. Commerce education has an opportunity to provide and develop the required skills and knowledge to meet the challenges of business. Commerce graduates should be provided with appropriate knowledge and skills so that they can develop and cope with the market requirement.

Concept of Employability and Employability Skills

Employability is the capability of a person to obtain as well as maintain employment. This largely depends on the knowledge, skills and abilities that the individuals possess, along with the manner in which they present these assets to employers, while recognizing that different types of employment have different 'employability' requirements. Employment and employability are two different terms. Being employed means having a job, being employable means having the qualities needed to maintain employment and progress in the workplace (Lee, 2002)..

'Employability skills are defined as skills required not only to gain employment, but also to progress within an enterprise so as to achieve one's potential and contribute successfully to enterprise strategic directions.(DEST 2002a). Employability skills are those skills, attributes, and behaviours, e.g., communication skills, problem solving, organization, and planning, that bridge most disciplines, industries, and employing organizations. They have the greatest impact on the sustained, productive, successful employment of graduates (Cranmer, 2006; Gedye, Fender, & Chalkey, 2004).

Objectives

- To identify the employability skills that employers perceive to be important for Commerce graduates.
- To understand the views of Commerce graduates towards employability skills.

Methodology

The study is based on primary as well as secondary data.

1. Primary Data

- A duly structured questionnaire was used to interview the employers i.e. Human Resource Managers, Branch Managers of 50 small, medium and large scale companies operating in the selected five Industrial Estates, set up by Goa Industrial Development Corporation, from South Goa district to find out their perceptions on the employability skills of Commerce graduates.
- Another questionnaire was also distributed among 50 Commerce graduates from Colleges in South Goa to know their views on employability skills.

2. Secondary Data

- Data is collected from various websites, journals, and newspaper articles.

Scope

The study is based on the perceptions of HR Managers, Branch Managers of companies from selected five Industrial Estates from the South Goa District of the state of Goa namely:

- i. Verna Industrial Estate;
- ii. Kundaim Industrial Estate;
- iii. Margao Industrial Estate;
- iv. Cuncolim Industrial Estate;
- v. Kakoda Industrial Estate.

The study is restricted to the views of Commerce Graduates from selected Colleges of South Goa, affiliated to Goa University.

Literature Review

1) P. Vanitha and A. T. Jaganathan (2018): The research was conducted on enhancing employability skills of graduates in India. They have shed light on the employability skills that employers perceive to be important for entry-level graduates and the skills required for sustainable employability of graduates in India. Eight such skills were identified i.e. Communication skills, Teamwork skills, Problem solving skills, Self-management, Planning and organizing skills, Technology skills, Life-long learning skills and Initiative and enterprise skills. In conclusion the authors stated that insufficient supply of quality skills is one of the main hindrances to further economic growth in India and therefore there is an urgent need for Higher

Education Institutions and the industry to work together towards enhancing the employability skills of their graduates.

2) Akinyemi Samuel et al. (2012): The study very clearly indicated that qualifications of graduates was not the only criteria for employability but it included several other attributes like verbal and written communication, analytical and investigative abilities, entrepreneurship and managerial skills, team work, computer skills, time management, drive and flexibility.

3) Chavan et al. (2014): A study to find the difference in the perception of the employers of both public and private sector employers did not reveal any differences in the opinion of the employers of these two sectors. The findings conclude that there was no significant difference in either the private or public employers or the employability skills.

4) Stephen B. Knouse et al. (2008): The research revealed that internship increases the effectiveness of business internships on several counts namely enhance employment opportunities, realistic expectations of interns, satisfaction with the internship experience, internships pre-requisites and internship mentoring. It was also found that the employability of the interns is enhanced and the interns generally experience both organisational and work related learning. It was thus concluded that internships are on the whole a beneficial activity.

Findings of the Study

Following are the findings of the present study

- Out of the 50 employer respondent companies surveyed, 88% of the companies are private and 12% of the companies are public organisations.
- 36% of the companies surveyed are large scale, medium scale companies constitute 34% and 30% are small scale companies.
- 36% of the employer respondents have currently employed more than 150 employees. 30% of the respondents have employed 1-50 employees and in 18% of the companies the number of employees is in between 101-150. 16% of the companies have currently employed 51-100 employees.
- 84% of the employer respondent companies are involved in manufacturing activities, 12% of the companies in the service sector and 4% of the companies are engaged in mining and quarrying.
- In 80% of the respondent companies, 1-25% of their employees are Commerce graduates, in 14% of the companies, Commerce graduates comprise 26-50% of the total

employees and in 4% of the companies, 51-75% of the employees are Commerce graduates. In 2% of the companies, 76-100% of the employees are Commerce graduates.

- 60% of the employer respondents agree that Commerce graduates have the skills required to work in their companies. 20% of the respondents strongly agree whereas 18% of the respondents disagree with the same. Similarly, 2% of the respondents strongly disagree with the proposition.
- All the employer respondents that were surveyed have ranked Communication skills as very important in recruiting Commerce graduates. Decision making skills are considered very important by 44% of the respondents.
- 60% of the respondents are very satisfied with the Numeracy skills of the Commerce graduates. The proportion of respondents that are very satisfied with the Analytical and problem solving skills and the Decision making skills of the Commerce graduates is the same i.e. 24%.
- The three skills that are viewed by the employer respondents as most important for future Commerce graduates are Analytical and problem solving skills (66%), Ability to adapt and act in new situations (56%) and Team working skills (42%).
- 42% of the employer respondents never co-operate with Higher Education Institutions in recruiting their Commerce graduates whereas 36% of the respondents are occasionally involved in the same. 12% of the respondents frequently cooperate and 10% of the respondents rather frequently cooperate with Higher Education Institutions in recruitment.
- According to 38% of the respondents, practical experiences should be included in Commerce courses. 28% of the respondents say Commerce courses should be made more relevant to the needs of the employers, 18% of the respondents suggest that Higher Education Institutions should facilitate relations between Commerce graduates and companies and 16% of the respondents consider including sector specific work placements in the Commerce curriculum

Following are the findings from the Commerce Graduates interviewed:

- Out of the 50 graduate respondents, 58% were females and 42% of the respondents were males.

- 82% of the respondents belong to the age group of 20-25 years, 12% of the respondents are in the age group of 26-30 years and 6% is above 30 years.
- 62% of the total respondents are B.COM graduates and 38% of the respondents have completed M.COM.
- 30% of the respondents have completed a course in Tally ERP 9 and 22% of the respondents have completed a Diploma in Computer Applications. 42% of the respondents have not undertaken any additional courses.
- 92% of the graduate respondents are employed in private companies and 8% of the respondents are engaged in public companies.
- 52% of the respondents are recruited through job vacancies in newspapers, 22% by means of references, and 14% of the respondents are recruited through College placements and 12% are recruited through online job sites.
- 78% of the respondents are working in a position related to their degree whereas 22% of the respondents are working in positions not related to their degree.
- Accounts and Finance are the main duties of 46% of the respondents. Public relations, Banking, and Management & Supervision are the main duties of 18%, 16% and 14% of the graduate respondents respectively. 6% of the respondents are employed in positions where the main duties are related to marketing & sales and ticketing.
- 90% of the respondents agree that practical training would have helped them at their workplace. However 10% of the respondents disagree with the same.
- 96% of the graduate respondents consider Communication skills as a very important skill at the workplace and 74% of the respondents view team work skills as very important.
- 44% of the respondents say that extensive practical knowledge needs to be developed at the College/University level. 28% of the respondents consider the skill of accepting responsibility and accountability, 24% of the respondents say problem -solving skills and 4% of the respondents feel that all the listed skills need to be developed.
- 44% of the respondents state that their Management skills are inadequate at the work place, 24% of the respondents find their human skills inadequate, 16% of the respondents find their subject related skills inadequate. However, 16% of the respondents consider their skills very adequate at the workplace.

- 48% of the respondents agree that that the Commerce course curriculum has failed to keep up with the needs of the employers. 30% of the respondents strongly agree whereas 22% of the respondents disagree with the same. None of the respondents strongly disagree.
- 32% of the respondents consider evaluation based on theoretical knowledge a major limitation of the Commerce curriculum. 24% of the respondents say learning of outdated topics and 14% view study of only the syllabus. 30% of the respondents consider all the listed limitations as major drawbacks of the curriculum.
- 66% of the graduate respondents do not find any part of the Commerce curriculum irrelevant at their work place. However, 34% of the graduate respondents find certain parts of the curriculum irrelevant such as theoretical subjects including Economics, Entrepreneurship Development, Human Resource Management, Auditing and parts of accounting.
- 36% of the respondents say that practical accounting courses should be included in the Commerce curriculum. 16% of the respondents suggest the inclusion of internships, 14% respondents consider computer education and 12% of the respondents suggest including Tally ERP 9 in the curriculum. The proportion of respondents that consider including courses on Soft skill training, customer handling and E-filing is the same i.e. 6%. 4% of the respondents suggest including courses on Analysis and Implications of current market situations.
- 50% of the respondents suggest that Higher Education Institutions should include practical experiences in courses, 24% of the respondents say Commerce courses should be made more relevant to the needs of the employers, 14% of the respondents say that sector specific work placements should be included in the Commerce programme and 12% of the respondents say that institutions should facilitate relations between Commerce graduates and companies.

In the present study on the perceptions of the employers on the employability skills of Commerce graduates, the employers desired Communication skills, Computer skills, Numeracy skills and Team work skills as very important skills for new Commerce recruits. Further, the respondents were very satisfied with the skill set of the Commerce graduates currently employed which included; Numeracy skills, Reading and writing skills, Computer skills, Communication

and Team work skills. The study also indicated that according to the employer respondents, future Commerce graduates should have the three most important skills namely; Analytical and problem solving skills, Ability to adapt and act in new situations and Team working skills, to ensure their employability.

The study also focused on 50 Commerce graduates and their views towards employability skills. The respondents indicated that Communication skills, Reading and writing skills, Computer skills, Analytical & problem-solving skills, Ability to adapt and act in new situations and the Planning and organisational skills are very important to enter the workforce. Our study also observed that respondents viewed extensive practical knowledge, problem solving skills and accepting responsibility and accountability as skills that should have been developed at the College/University level to ensure better job prospects. The study also highlights the inadequacy of the Management, Human and Subject related skills that lead to the incompetence among Commerce Graduates.

Suggestions

The study offers the followings suggestions to the Higher Education Institutions to improve the employability of their Commerce graduates;

- According to a large majority of the graduate respondents (90%), practical training would have helped them in having a better understanding of their duties at their work place. Higher Education Institutions need to take concrete steps not only towards imparting theoretical knowledge but also in providing Commerce graduates with hands on experiences in various areas such as practical accounting, analysis & implications of current market situations, Customer handling and E-filing . Such training can be in the form of internships for at least 6 months in order to derive greater benefits. This will facilitate a smoother transition for the graduates their workplace.
- Higher Education Institutions should offer various short term Certificate add on courses to develop the Communication skills, Reading and writing skills, Computer skills, Analytical & problem-solving skills and Ability to adapt and act in new situations.
- Partnerships between industry and higher education institutions are the need of the hour.

- Higher education institutions must maintain relevant policies and practices that meet the needs of students and employers and which will enhance student employability.
- Strengthen links with industry by getting industry players involved in curriculum design, evaluation and innovation activities.

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