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SKILL SETS EXPECTATIONS FOR ENTRY LEVEL JOBS IN SELECTED SERVICE SECTORS OF EMPLOYMENT - HR PERSPECTIVE

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Abstract

The Chinese Philosopher, Confucius, stated that the goal of education was to produce men of quality who combined Competence with Virtue. The opportunities for graduates in the Service Sectors, have increased over the past one decade. However, many graduates remain without jobs. Current technological and economic changes have created a challenging context for students. The Requirements of the World of Work “identify a number of competencies” expected from university graduates. Globalization has increased the pressure on companies, with an increasing need to effectively manage oneself and one’s clients. In brief, the institutions should mainly focus on development of (a) Generic Skills; (b) Application Skills; and (c) Soft Skills or Life Skills, apart from their subjects. The main objective of this paper is to try to highlight the industry needs expected from graduates such as basic oral and written communication skills, basic computer skills (MS Office, Internet, etc), and a good workplace attitude (commitment and teamwork). These skills are prerequisites for landing the best available jobs. Employability is automatically increased if the students have good professional competencies.

Keywords: Skill Sets, Job Sectors, Employer, Career, Job Opportunities

Introduction

Globalization has increased the standards of education and career profiles. Multinational Companies in India, are looking for well trained and employable individuals. Employers want much more than academic success. They expect skills like team work, interpersonal skills, organizational ability and good analytical ability, along with academic record. Today, Soft Skills

are the most important characteristic for any individual to communicate well and pave the way to success. Student Opportunities are highly competitive. Globalization has brought employees of different countries face-to-face. A number of graduates are good at academics but not efficient at communication skills. This aspect puts them behind in their career opportunities.

Sectors Selected for the Study and its Skill Requirements

Service Industry Sectors, Self-Employment, and a wide range of Intermediate Level Jobs are open to arts and science graduates now a days. The following sectors of employment were selected for this particular study.

IT: As a student of Computer Science, it is important to be clear on aspects like career outlook, expectations, and opportunities after graduation. Hiring of the Indian Software Professionals is on the upswing. Keeping in view the current growth rate in Computer Industry, it is expected that by 2012, there will be a demand for over 5 million Computer Professionals, as per a recently concluded IDC-NASSCOM-McKinsey Survey. International Companies look for professionals with an ever-broader background and range of skills, including not only technical knowledge but also communication and other interpersonal skills.

ITES: Nasscom-McKinsey Report 2002 projects that Information Technology and ITES Industry will account for over 7 percent of India's GDP (Gross Domestic Product), 30% of foreign exchange inflows and create over 4 million jobs. This Sector holds immense scope for the common person as it provides employment to technical and non-technical graduates. The business segments, which provide ITES jobs, include Medical Transcription, Legal Database Processing, Remote Maintenance, Back Office Operations, Data Processing, Call Centres, Human Resources Services, Insurance Claim Processing, Business Process Outsourcing, etc. Any graduate, with a reasonably good command

of English and decent communication skills, is a candidate for this job. While one must have good keyboard skills, it is not necessary to have any other technical knowledge. The major emphasis is on being able to handle interpersonal communications with a high degree of confidence.

Banking and Finance

Entry level clerical positions include functional areas like Accounts Receivable, Accounts Payable, Payroll, General Ledger, Credit and Collections. There are certain universal abilities and skills relevant to the duties and responsibilities of the positions. These include good mathematical skills, good handwriting, excellent verbal and written communication skills, data entry skills, familiarity and proficiency with standard office equipment and analytical skills. In addition, possessing the following personal attributes is mandatory: honesty, reliability (able to meet deadlines), detail oriented, quick to learn new procedures, flexibility and team worker mentality and ability to communicate effectively.

Insurance

The increasing number of players in this Sector has resulted in new products, better packaging, improved customer service and most importantly, greater employment opportunities, for graduates. In this Sector, there will be demand for advisors, marketing specialists, customer service representatives, human resource professionals, etc. The requirements are knowledge of sales techniques, familiarity with computers and popular software packages. Enthusiasm, outgoing, self-confident, disciplined,

hard working and able to communicate effectively and also able to inspire customer confidence and keep up to date with issues concerning clients, are desirable qualities expected of the graduates.

Retail Marketing

The purchasing power of people has increased, thereby creating opportunities for the growth of this segment. As companies are diversifying into retail, a career in retail is definitely a good option. It is important that the skills required for these jobs include outstanding communication skills, speech clarity, oral comprehension, oral expression, written comprehension and mathematical reasoning.

Review of Literature

The UNESCO Document on ‘Thematic Debate: The Requirements of the World of Work’, has identified some skills like flexibility, innovativeness, creativity, entrepreneurship, resourcefulness and team work (**Dutta, 2007**). As India becomes a services outsourcing centre and a hub for manufacture of goods, some indicative figures for expected job creation are given below:

- India could achieve \$165 billion in merchandise trade by 2009-10, creating an additional 21 million new jobs (**Press Release, Ministry of Commerce and Industry, April 7, 2006**).
- The IT and BPO Sector could employ nine million persons, directly and indirectly, by 2010 (**NASSCOM McKinsey Report, 2006**).

- The National Manufacturing Competitiveness Council, in its recommendations, has said that raising the rate of growth of manufacturing to 12 %, could create 1.6 to 2.9 million direct jobs annually, and another two to three times that number, indirectly.

The Services Sector has been the key driver of growth of the Indian Economy in the past decade, during which India was ranked among the ten fastest growing economies in the world. During the 1990s, India’s Services Sector grew at an average annual rate of 9 per cent, well ahead of the growth rate of industry at 5.8 per cent per annum and that of agriculture at 3.1 per cent per annum. Services contributed approximately 68.6 per cent of the overall average GDP growth (Service Value Added) in the past five years between 2002-03 and 2006-07. In 2006-07, growing at 11.2 per cent year on year, services (excluding construction) constituted 54.9 per cent of Indian GDP (with the Indian GDP growing at 9.2 per cent to Rs. 28,48,157 crores, at 1999-2000 prices) (**www.mospi.nic.in**).

According to the **Ma Foi 2008 Survey**, in terms of percentage of growth in recruitments, the Health Sector shows the highest growth at 8.9%, followed by IT at 7.3%, ITeS at 7.2% and Hospitality at 6.9%. Demand for fresh recruits is above 30% in Hospitality, followed by sectors such as energy generation and supply, ITeS, and mining and extraction.

According to **The National Strategic Skills Audit for England 2010**, Skill Gaps now affect one in five employers, an increase of four

percentage points since the 2007 National Employers Skill Survey (LSC, 2008). The proportion of the employed workforce, estimated to exhibit a Skill Gap, is around seven per cent or 1.7 million workers. It is a particularly important issue in larger establishments. While it is pervasive across sectors and occupations, it is particularly noticeable in sales and elementary occupations and in the manufacturing, electricity/gas/water, and hotels/catering sectors. Health and Social Work are also expected to grow significantly, as are retail and hotels/catering. It is likely that any existing skill shortages and gaps may be exacerbated by such future growth requirements.

According to **Ramana (2009)**, the communication skills encompass both verbal and written. Due to Globalization, the emphasis is more on English Language by most employers. These skills contribute to productivity and harmony in interpersonal relations. **Hay/Mc Ber Research and Innovation Group, (1997)** has conducted a research in National Insurance Company and found that insurance sales agents, who were weak in self-confidence, initiative and empathy, sold policies with an average premium of \$54,000. But those who were very strong in at least five to 8 competencies, sold policies worth \$114,000/-. **Hansen and Hansen (2007)** reported that some of the key skills and values employers seek from college graduates are communications (writing, speaking, and interpersonal), teamwork, analytical ability, multitasking, organization, leadership, problem-solving and tenacity.

Objectives of the Study

- Identify and prioritize the skill sets demanded by various service sectors of employment at the entry level in the case of undergraduates.
- Measure the gap between the availability of students' skills and the employers' expectations.
- Identify the skill sets to be enhanced by the undergraduates.

Hypothesis

H₀: There is no significant difference between skill sets expectation by the employers and availability of such skills among the students

Methodology

To identify skill sets requirements at the entry level workers to companies, availability of jobs and training packages and the company's HR were surveyed. Totally 78 companies were approached personally and via e-mail and postal services, located in Coimbatore, Erode and Chennai. Among them, 43 samples responded. These responses were analyzed through various statistical tools like Kendalls W Test, Simple Percentage and Paired Sample 't' test.

Findings about the Study

Job Providing Sectors Selected for the Study

Table-1 explains the job sectors and the functional areas selected for the study to identify the skill sets requirement. These Service Sectors provide job opportunities for undergraduate Students of Computer Science, Basic Sciences

(like Maths, Physics, Chemistry), Biological Sciences, Electronics, Arts and Management Studies. Majority of the job opportunities were available for Arts and Science students in various functional areas under IT and ITES Sectors.

Skill Sets Demands for Selected Sectors of Employment

Table-2 displays the requirement of essential skills from entry level undergraduates for the Service Sector, with the appropriate statistical analysis. The mean rank was calculated to know the preference level (ranks range from 1 to 13) and Kendall's W test was also administered to know the similarities among the samples' preferences.

Communication Skills were most required by 43 per cent of sample companies as the first preference and obtained the mean rank of 3.72. Nineteen per cent of the HRs responded to prefer *Team Work* as their first preference (mean rank is 5.02). Time Management and Active Listening were also equally expected (mean rank is 5.02). *Written Comprehension, Problem Solving Skills, Ability to Learn New Technologies Fast, Leadership Skills* were least preferred by the HRs because opportunities to use these skills are limited at entry level. *Kendall's W score* (.222) shows that there are no similarities among the respondents' ranking. It is obvious that each sector of employment requirements and qualifications, varied with the needs of the employer and their projects/ nature of work to be accomplished.

Computer Knowledge Required by the Selected Sectors of Employment

The present study also gives the details of the requirement of Computer Knowledge from

the candidate. 88.4 per cent of the companies required Basic Computer Awareness and Skills. **Table-3** presents the data on various programming language and packages at different levels. Students are given the hands-on computer experience, knowledge, and skills that can qualify graduates for careers in Service Sectors. As well as being an important tool of business, computers have become an important part of home and office.

Most companies demand strong knowledge (employees have to work without supervision at maximum five percentage of error) on internet usage, SQL Server, JAVA and HTML. Another 15-20 per cent of the companies required moderate knowledge (work with less supervision and the error percentage may be allowed upto 10%) of data structure, C language and Oracle and Visual Basic.

H₀: There is no significant difference between Skill-Sets Expectations by the employers and the availability of such skills among the students.

No rigorous test was administered to test this hypothesis. Hence the information related to this was received through the HRs' own experience in the University Recruitment. According to **Table- 4**, all the calculated t-values are higher than the table values and hence it is inferred that there is significant difference between the employers' expectations and the student acquisition with respect to selected skill sets. Hence the hypothesis is rejected.

Opinion on Training Needed for Entry Level Employees

Table-5 and 6 present the details on training conducted by the selected companies. Almost

40 per cent of the employers expressed strongly their opinion about the requirement of training for the entry level employees for their concern / project. According to the study results, 70 per cent of the companies have their own training departments. 77% of the companies maintained that entry level employees must undergo relevant training before landing the actual work. Since majority of the employers have their own training department, 51 per cent of them follow classroom teaching for 1-3 months duration to train their recruits. Through class room lectures, participants were motivated to learn. Under this method, trainers followed various strategies like group discussion, role playing, presenting case studies/case analysis and conducting seminars. Forty one per cent of the selected companies followed On-The-Job Training where the employees were exposed to the real work floor to understand the work culture, work environment and to some extent, they were also allowed to observe the technical oriented work atmosphere. During the training period, the employees were oriented towards the basic computer knowledge, effective communication, business communication, how to answer clients' queries, account processing, team building and decision making, etc.,

Skills Expected to be Enhanced

According to the Table 7, the following skills were lacking in students during their college level education - Keyboarding Skills, Communication Skills, Problem-Solving Skills, Awareness on the Industry Requirement, Interpersonal Skills, Banking Awareness, Accuracy and Speed and Application Experience. Hence, these skills should be enhanced at their college level. Now a days, majority of students use Career Guidance Cell in their campus to get the information and

guidance for their skill set enhancement in accordance with their job opportunities. Some students do not get the benefit of this service until their final year and by that time, it is too late for those who lack the expected skill sets, apart from their academic excellence, to get the right job.

Conclusion

From the employers' perspective, the key skills that employers desire from the new graduates are Communication, Subject Knowledge, Team Work, Creative Thinking, Positive Personality and Willingness to Learn New Technology. Also training and continuing education are very much needed. With technology evolving at a rapid and constant rate, both company sponsored and personal training will be necessary to stay in this competitive era and to be successful in the chosen career. By the end of undergraduate education, students are expected to have developed a range of skills that will be essential for their future careers.

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Table-1: Selected Job Providing Sectors of Employment and their Functional Areas

S.No	Job Sectors	Functional Area	Job availability with the selected companies*
1	IT (18)	Networking	5
		Software Developers	11
		Software Testing	3
		Web Designers	2
2	ITES (15)	Accounting (Back end operations)	7
		Telesales	2
		HR Services	6
		Customer support service	5
3	Banking and Finance (8)	Operations	3
		Personal	1
		Marketing	5
4.	Insurance (6)	Underwriter	1
		Agent	4
		Actuary	1
5.	Retail marketing (6)	Business Analysis	2
		Market Research	4
		Trade Marketing	2
7	Private Education and Training (10)	e-tutoring	4
		Content Development	5
		Content Editing	4

Source: Primary data ; figures in parenthesis are the number of samples
 *multiple response

Table-2: Recruiters' Ranking Essential Skill Expected from the Students

Skill-sets	Mean rank of HR responses (No: 43)
Communication Skills	3.72
Time management	4.66
Team work	5.02
Active Listening	5.09
Reading Comprehension	7.09
Critical thinking	7.09
Organizational Skills	7.12
Analytical Reasoning	7.52
Decision Making	7.97
Written Comprehension	8.33
Problem solving skills	9.00
Ability to learn new technologies fast	9.15
Leadership	9.23
Kendall's W Score	.222

Source: Primary data collected from HRs sample

Table-3: Requirement of Computer Knowledge

Computer Language	Strong Knowledge	Moderate Knowledge
MS Office	65.1	27.9
Internet Usage	39.5	23.3
SQL Server	18.6	14.0
Java	14.0	14.0
HTML	14.0	2.3
Tally	11.6	4.7
Data Structure	9.3	20.9
C, C++	9.3	18.6
. Net	9.3	7.0
MS Dos	7.0	9.3
Oracle	4.7	16.3
VB	4.7	11.6

Source: Primary data collected from HRs sample

*Multiple responses

Table - 4: Paired Sample t- Test

Skill-sets expected and acquired	Paired difference		t	df	Sig.	Table value
	Mean	S.D				
Communication skills required -acquired	2.5814	2.8555	5.928	42	**	2.698
Active listening-expected required -acquired	2.3023	5.0828	2.970	42	**	2.698
Reading comprehension required -acquired	.6279	1.3456	3.060	42	**	2.698
Written comprehension- required -acquired	.7674	1.6160	3.114	42	**	2.698
Analytical reasoning- required -acquired	3.5116	3.8691	5.952	42	**	2.698
Organisation skills- required -acquired	6.4186	15.5858	2.701	42	**	2.698
Critical thinking- required -acquired	.9302	2.4823	2.457	42	*	2.018
Time management- required -acquired	1.1628	1.1533	6.612	42	**	2.698
Decision making- required -acquired	1.3953	3.0639	2.986	42	**	2.698
Adaptability- required -acquired	1.0000	2.9277	2.240	42	*	2.018
Team work- required -acquired	4.0233	7.2325	3.648	42	**	2.698
Problem solving- required -acquired	.8837	1.3131	4.413	42	**	2.698
Leadership- required -acquired	4.6512	8.2919	3.678	42	**	2.698

Table-5: Opinion on Training Needed for Entry Level Employees

HRs' Opinion on Training needed	Percent
Agree	40.5
Strongly agree	45.2
Disagree	-
Strongly disagree	-
cant say	14.3
Total	100.0

Table -6: Training Methods and Duration Adopted by the Sample Companies

Training Methods	Percent responded*		
	Duration		
	0-6 weeks	7-12 weeks	19-24 weeks
Class room Teaching	39.5	11.6	-
On the job training / Real field exposure	41.8	2.3	-
Self learning	14.0	2.3	2.3
Online teaching	20.9	-	-

Source: Primary data collected from HRs samples

**Multiple responses*

Table-7: Skill sets to be Enhanced

Skill sets to be Enhanced	Frequency (No.43)	Percent
Communication	8	19.01
Computer Course	5	11.9
Domain Area	4	9.5
Global Cultural Awareness	1	2.4
Keyboarding Skill	1	2.4
Problem Solving Skill	1	2.4
Banking Awareness	1	2.4
Market Exposure	1	2.4
Observation Skill	2	4.8
Personality Development	2	4.8
Presentation	1	2.4
Accuracy and Speed	1	2.4

Source: Primary data collected from HRs samples

**Multiple responses*