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# College Graduates' Employment Preparedness: Perception Gaps Between College Students and Employers

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Abstract: It has been identified by the Philippine Statistics Authority (2016) that the while employment rate is at 94.5% the unemployment rate of the country is at 5.5% and the underemployment is at 18.3%. These statistics combined with the dawn of the Association of Southeast Asian Nations (ASEAN) Integration necessitates for the country to determine whether the college graduates are prepared to meet the challenges of work. It is thus the intent of this study to determine whether there are gaps between the perception of college students and employers regarding the employment preparedness of new graduates. The respondents chosen were graduating Marketing Management college students from three (3) major universities and colleges in Angeles City and employers of companies in line with the field of marketing. The survey was focused on the preparedness of college graduates on knowledge of cultures and the physical and natural worlds, intellectual and practical skills, personal and social responsibility, integrative and applied to learn, as well as how the respondents react to the statements that suggest support for general education and a curriculum that extends beyond job training.

Frequency, mean, and T-test of independent groups were used for statistical treatment of data. Findings show that there is no significant difference between the employers' perception and students' perception of preparedness for employment. It was found that the gap between both respondents has been bridged because of the continuous efforts of higher education institutions in improving their curricular formulation including enhanced on-the-job training programs and other strategies necessary to ensure employability preparedness of their graduates.

**Key words**: employment preparedness, perception gaps, college graduates, employers

JEL codes: I2, Y8

## 1. Introduction

According to Windarto & Sukiyo (2014) by 2015, the Association of Southeast Asian Nations (ASEAN) which composes of the countries Indonesia, Malaysia, Singapore, Thailand, Brunei Darussalam, Vietnam, Laos, Myanmar, Cambodia, and the Philippines will have become a community by then via the ASEAN Integration. In place of ten heterogeneous labor markets, there will be a large labor market in which nations recognize one another's qualifications.

As was identified in the study of Abas and Imam (2016), the Philippines, as with the rest of the countries in the world, is faced with challenges brought about by globalization. Given this, higher education has been concerned

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with the development of the whole person as well as knowledge, attributes, and skills which any educated person should expect to have at the time of graduation. Thus, this hindsight presupposes that higher education institutions are one with each other in ensuring that the graduates are just as prepared wholistically to face the world of work.

Generally, students are made to believe that going to college would make them be prepared for employment. It is reasonable to be concerned about employability after college because a degree has long been told to students as a pathway to a better life (Rovira, 2014). Yet the majority of employers continue to say that possessing both field-specific knowledge and a broad range of knowledge and skills are important for recent college graduates to achieve long-term career success (Hart research associates, 2015).

Past studies reflect a gap between perceptions of employers against that of college students as far as their preparedness for employment is concerned (Whitmell, 2010). This is likewise substantiated by Helyer (2011), where, according to him a gap between graduate workplace performance and employer expectations persisted in the past years, which is why governments and employers across developed economies increasingly call for higher education providers to prepare graduates for the workplace (CBI, 2010).

#### 1.1 Statement of the Problem

This research attempted to identify perception gaps between employers and college students as to college graduates' employment preparedness.

It specifically answered the following:

- 1) How may the employer-respondents company profile be described in terms of the ff:
- a) No. of Employees
- b) No. of Years in the Industry
- c) Type of Industry?
- 2) How may the college students-respondents' profile be described in terms of the ff:
- a) Age
- b) Sex
- c) Course
- d) Year level
- e) Institution
- 3) How may the employment preparedness of recent graduates be assessed by both respondents?
- 4) Is there a significant difference between the assessments of the respondents as to employability preparedness of new graduates?

## 1.2 Null Hypothesis

There is no significant difference between the assessments of the respondents as to employability preparedness of new graduates.

## 1.3 Conceptual Framework

The study was based on a similar study conducted by Hart Research Associates in 2013 for the American Association of Colleges and Universities entitled: "It Takes More Than A Major: Employer Priorities for College Learning and Student Success". This study identifies several domains as to what areas employers expect the graduates to be equipped on. It identifies a difference in the perception of both employers and college students as to their employability preparedness. This research posits that there is no significant difference between such

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perceptions thus emphasizing the absence of a gap between these perceptions.

Figure 1 Paradigm of the Study

## 2. Methodology

Descriptive-correlational method of research was used to obtain data for this study. This study covered 10 companies coming from 5 different fields namely, BPO, Automotive, Health-related, Marketing-related, and Hospitality and Tourism industries whose operations are within the Pampanga Area. Employers from these different industries were chosen as respondents since they are in line in the field of Marketing. Immediate supervisors managing Marketing Management graduates were the pre-identified employer-respondents. It also included 100 Senior Marketing Management students as respondents from 3 different universities and colleges in Angeles City offering Marketing Management courses.

The survey instrument used was based on the study of Hart Research Associates (2013) "It Takes More Than A Major: Employer Priorities for College Learning and Student Success". The research utilized the first part of the instrument. Questionnaires were administered personally and were distributed in the respondents' free time. Moreover, STATA was used to process data gathered in the survey to correlate the items and to guarantee the quality of the research.

The statistical tools used are Frequency, Mean, and t-test for Independent Groups.

## 3. Summary of Findings

Findings showed that the majority of the respondent companies employ less than 500 workers while the rest more than 500. More than half of these companies have been in the industry for more than 20 years. They come from varied fields namely, BPO, Automotive, Health-related, Marketing-related, and Hospitality industries. These industries were identified based on Susana Snider's (2016) article "The Best Sales and Marketing Jobs of 2016," where she has identified that Telemarketers, Sales Representatives, and Marketing Managers are among the top Marketing jobs. Telemarketers are those working in BPOs while Sales Representatives include those working in the

Automotive and Pharmaceutical industries while Marketing Managers are a requirement in the Tourism industry.

It is also shown that 6 of the respondent-employer stated that their business has been in the industry for more than 20 years. The other 3 stated that they have been in the industry for not more than 10 years. While 1 of them says the business has been in the industry for years ranging from 11 to 20. This reflects that these companies, given their long-standing operation in their businesses, have vast and in-depth experience in hiring employees making their feedback all the more credible.

As for college student-respondent, the majority come from the age range 20-21, mostly females, and come from different higher education institutions in Pampanga. This age group signifies maturity in assessment and given that they are Senior Marketing Management students, can provide an objective assessment of their potential for employment. They were so chosen as they have had experience in their on-the-job training and can more or less gauge how they fare in as far as their qualification for work is concerned.

Table 3 identifies the differences between assessments of both respondents as regards the employability preparedness of new graduates. It can be gleaned from the mean ratings that both employers and college students assessed employment preparedness the same way, prepared to a large extent, except for one item referring to the students' broad knowledge in the liberal arts and sciences. The result may have been born out of the fact that educational institutions may have prepared the students for employment based on the expectations they have of the knowledge and skills required for them to perform a particular job. This has been an acknowledgment by both the academe and industry as can be ascertained by the Commission on Higher Education (CHED) (2016) which stresses the necessity for an academe-industry linkage. This was further supported by the National Economic and Development Authority (NEDA) (2016) which emphasized the need for stronger partnership among the academe, industry, and government to solve the problem of job-mismatch. The noted difference, on the other hand, between the perceptions on "Broad knowledge in the liberal arts and sciences," may have been because the senior college students do not as yet possess the confidence they need to claim that they are prepared in this aspect compared to the employers who have experienced having newly hired workers manifest the skill.

Table 1 Frequency and Percentage Distribution of Employer-Respondents According to Socio-demographic Profile

	Frequency	Percentage		
No. of Employees				
Less than 500	6	60%		
More than 500	4	40%		
Total	10	100%		
No. of years in the industry				
10 years and below	3	30%		
11-20 years	1	10%		
More than 20 years	6	60%		
Total	10	100%		
Type of Industry				
BPO	2	20%		
Health-Related	2	20%		
Marketing-Related	2	20%		
Automotive	2	20%		
Hospitality and Tourism	2	20%		
Total	10	100%		

Table 2 Frequency and Percentage Distribution of College Student-Respondents According to Socio-demographic Profile

	Frequency	Percentage		
Age				
Below 20	29	29%		
20-21	54	54%		
22-23	13	13%		
Above 23	4	4%		
Total	100	100%		
Gender				
Male	30	30%		
Female	70	70%		
Total	100	100%		
Institution				
Educational Institution 1	30	30%		
Educational Institution 2	45	45%		
Educational Institution 3	25	25%		
Total	100	100%		

Table 3 Summary of Assessment of Both Respondents As to Employability Preparedness of Graduates

Domains		Students	Employers					
		ean Rating		Rating				
Broad Knowledge in the liberal arts and sciences								
Global Issues and Knowledge about societies and cultures outside of country	3.66	Prepared to a large extent	3.6	Prepared to a large extent				
Knowledge about science and technology	3.85	Prepared to a large extent	4.1	Prepared to a large extent				
Over-all perception of students and employers	3.76	Prepared to a large extent	3.85	Prepared to a large extent				
Knowledge of Cultures and the physical and Natural Worlds								
Critical thinking and analytic reasoning	3.93	Prepared to a large extent	4.0	Prepared to a large extent				
Complex problem solving	3.77	Prepared to a large extent	4.0	Prepared to a large extent				
Written and Oral Communication	4.06	Prepared to a large extent	4.2	Prepared to a large extent				
Information Literacy	3.96	Prepared to a large extent	4.4	Prepared to a large extent				
Innovation and Creativity	4.04	Prepared to a large extent	4.1	Prepared to a large extent				
Teamwork Skills in Diverse Group	4.35	Prepared to a large extent	4.5	Highly Prepared				
Quantitative reasoning	3.74	Prepared to a large extent	3.9	Prepared to a large extent				
Over-all perception of students and employers	3.98	Prepared to a large extent	4.15	Prepared to a large extent				
Inte	ellectual a	nd Practical Skills						
Problem solving in diverse settings	3.8	Prepared to a large extent	3.9	Prepared to a large extent				
Ethical issues important in their fields	4.02	Prepared to a large extent	3.6	Prepared to a large extent				
Public issues important in their fields	4.02	Prepared to a large extent	3.7	Prepared to a large extent				
Knowledge, skills and judgement about the community, essential for contributing to the society as a whole	4.08	Prepared to a large extent	3.9	Prepared to a large extent				
Over-all perception of students and employers	3.98	Prepared to a large extent	3.77	Prepared to a large extent				
Personal and Social Responsibility								
Direct experiences with community problem solving	3.87	Prepared to a large extent	3.6	Prepared to a large extent				
Applied knowledge in real world settings	4.16	Prepared to a large extent	3.6	Prepared to a large extent				
Over-all perception of students and employers	4.01	Prepared to a large extent	3.6	Prepared to a large extent				

Noteworthy to mention is that the employers rated their newly hired employees higher than the college students in all domains. Again, this may have been brought about by the strong partnership between the academe and the industry based on collaborations they may have in terms of curriculum development and internship programs. This result, however, is contrary to past studies where there is a huge gap between assessments of both respondents (Hart Research Associates, 2013, 2015).

Table 4 reflects the results of the correlation, showcasing significant difference between employer-respondents and student-respondents employability preparedness.

## 3.1 Knowledge of Cultures and the Physical and Natural Worlds

Based on the result of the survey, it shows that there is no significant difference between the student's perception and employers' perception of employment preparedness in terms of the new graduates' knowledge of cultures and the physical and natural worlds. This is in support of the key findings from the survey conducted by Business and Nonprofit Leaders (2013) stating that 80 percent of employers agree that, regardless of their major, every college student should acquire broad knowledge in the liberal arts and sciences.

#### 3.2 Intellectual and Practical Skills

The findings present that in terms of Intellectual and Practical Skills, both students and employers share the same perception which is "prepared to a large extent". This is contradictory to a report by the Association of American Colleges and Universities (AACU) in 2015 which says that "large majorities of employers do not feel that recent college graduates are well prepared, particularly in the case for applying knowledge and skills in real-world settings, critical thinking skills, and written and oral communication skills-areas in which fewer than three in 10 employers think that recent college graduates are well prepared." Likewise can be said by Ogbeide (2006), where there is a difference in perception between students and employers in the Hospitality industry.

#### 3.3 Personal and Social Responsibility

The result of the survey showed that both students and employers have the same perception about the personal and social responsibility of recent graduates, which is "prepared to a large extent". According to the study of Heyler (2011), employers point out that a variety of types of knowledge and skills are important considerations when hiring, placing the greatest priority on ethics, intercultural skills, and capacity for professional development. Nonetheless, in the study that was conducted, it has been perceived that the newly hired college graduates are already prepared to a large extent in terms of personal and social responsibility.

### 3.4 Integrative and Applied Learning

Based on the study of Hart Research Associates (2015), the majority of its respondent-employers think improvements are needed to ensure that graduates gain the skills and knowledge needed to succeed in an entry-level position at their company while the majority of its respondent-students think that they are ready and equipped with the skills/knowledge needed for an entry-level position. This is contrary to the findings of this study, where it was found out that both respondents have a rating of prepared to a large extent. This means that there is no gap between the perceptions of the employer and the student.

Results showed that in all the domains, the null hypothesis "there is no significant difference between the assessment of employers and college students as to the employment preparedness of college graduates is accepted. This result is contrary to other studies which stress the huge gap between assessments of both respondents (Hart, 2013, 2015; Ogbeide, 2006; Saunders & Zuzel, 2009).

This is a reflection of an improved working relationship between the higher education institution and the employers. Given that the gap between assessments of employability preparedness of graduates has been eliminated as gleaned from this study is a signal that strategies adopted by HEIs paved the way to more and better employment opportunities.

Domains		Mean	t-ratio	p-value	Decision	Interpretation
Knowledge of cultures and the	Student	3.76	0.6236	0.5342	Accept Ho	There is no significant difference
physical and natural worlds	Employer	3.85				
Intellectual and Practical Skills	Student	3.98	0.5583	0.5778	Accept Ho	There is no significant difference
	Employer	4.15				
Personal and Social Responsibility	Student	3.98	0.6093	0.5436	Accept Ho	There is no significant difference
	Employer	3.77				
Integrative and Applied Learning	Student	4.01	1.1889	0.2371	Accept Ho	There is no significant difference
	Employer	3.6				

Table 4 Test of Significant Difference

# 4. Conclusion and Recommendation

The study is about determining whether a gap exists between college students' perception and employers' perception of employment preparedness of new graduates. The outcome of the study revealed that the criteria for assessing employment preparedness which is knowledge of cultures and the physical and natural worlds, intellectual and practical skills, personal and social responsibility, integrative and applied learning, showed no significant difference between both respondents' views.

According to Helyer (2011), a gap between graduate workplace performance and employer expectations persisted in the past years, which is why governments and employers across developed economies increasingly call for higher education providers to prepare graduates for the workplace (CBI, 2010). Universities since then responded to this call with considerable efforts, clarifying which employability skills are most required in undergraduates. Thus, it can be ascertained that higher education institutions went out of their way to improve curricular offerings as well as co- and extra-curricular undertakings. This resulted in eliminating the gap between what employers expect from college graduates and what they think they have in terms of knowledge in skills for employment.

It is however important to note the limitations of this study given that the scope covers both employers of newly hired employees in Marketing positions and Senior Marketing Management students within the Pampanga area only, the results cannot, therefore, be generalized as true within the country. Higher education institutions offering Marketing Management courses within the geographical scope may have had better working relations with employers in the same region via their academe-industry linkage and partnerships, providing better venues for onthe-job training and working feedback mechanisms.

Given this, it is therefore recommended that another study be conducted on a wider geographic scope to get a clearer picture as to the employability preparedness of Marketing Management graduates within the country. This will help the country better prepare its human resource to respond to the challenges of the ASEAN Integration.

<sup>\*</sup>P < 0.05.

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