

# Market tested business education: Corporate sector perceptions of Saudi graduates competencies

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University-industry collaboration patterns in more advanced economies have greatly impacted expectations for higher educational systems in developing countries. In Saudi Arabia, generally poor innovation performance of domestic industry has been perceived as a constraint in global competitiveness. The purpose of this study was to determine if there were differences among employers, and university academicians on their perceptions of the importance of skills and competencies that are needed by graduates seeking entry-level employment. The results suggest that a lack of efficient direct mechanisms to encourage university-industry collaboration has given rise to large disparities in the ability of individual institutions to interface with the corporate sector. This study found that there is vital need of soft skill development in the future graduates. Moreover, students need to be exposed to service-learning concepts. The service-learning projects should be incorporated in all the courses. (*Asia-Pacific Journal of Cooperative Education, 2014, 15(2), 91-106*)

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In a developing country/developed country such as Saudi Arabia where the unemployment rate is 10.6% (only males) of the labor force of 8.01 million (CIA World Factbook, 2013), it is expected that at least university graduates with requisite skill-set should be able to get employment, but it is not the case. Al-Dosary, Rahman, and Shahid (2005) identified that the Saudi's graduating from renowned foreign universities and a few local universities were being easily absorbed, while most of the locally educated Saudis were finding it very difficult to obtain suitable jobs with competitive salaries. This situation may arise from the fact that students lack employability competencies.

A competency is an underlying characteristic of an individual that contributes to job or role performance and to organizational success. In other words, a competency or individual characteristic was recognized as a significant predictor of employee performance and success, equally as important as an individual's academic aptitude and knowledge content as indicated by tests scores or results (Lucia & Lepsinger, 1999). Organizations are exploring and using competencies as the underpinnings of several HR applications. Three key strategic reasons for competency modeling are to 1) create awareness and understanding of the need for change in business, 2) enhance the skill levels in the workforce, and 3) improve teamwork and coordination (Heneman & Judge, 2009). On the other hand, during the past decade there has been a growing interest in learning and competency-based systems in various areas of education, training, and professional development (Calhoun, Vincent, Calhoun & Brandsen, 2008). As a result, a number of competency initiatives have been undertaken in various areas of education, training and professional development, especially in higher education.

At higher education level, students approach the learning institution with the assumption that they will be taught the requisite knowledge and skills to become competent future leaders. However, employers demand more specific 'softer skills'. Supporting this fact,

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Hawawini (2005) notes that the typical business school course (undergraduate, graduate and, to a lesser extent, executive education) is designed to impart a large dose of quantitative management skills and techniques. But employers, alumni and even students are increasingly demanding so-called softer skills of two types: behavioral and societal. Behavioral skills include the ability to work with others, to communicate effectively, to display multicultural awareness, and to exhibit some entrepreneurial and leadership qualities.

Mitchell, Skinner, and White (2010) conducted a study to determine Alabama business educators' perceptions of the importance of soft skills for success in the twenty first century workforce. They found that the Alabama business educators consider soft skills (such as communication, teamwork, problem solving, leadership, diversity) to be important ( $M = \geq 4.95$  on a 1-6 scale) components of the business/ marketing education curriculum. Developing soft skills among the students provides two-fold benefits; it helps in producing quality human capital and to develop their knowledge, understanding, values and skills that are vital need for the employability (Wiersma & Bradbury 2004). This notion has been supported by a recent report published by The Work Foundation, (2012) which emphasized that the changes in the labor market in the past three decades and the paradigm shift from manufacturing to a service sector economy had made soft skills increasingly important for young people to access employment. The report concluded that employers had highlighted a growing shortage of 'employability' and 'soft' skills including self-motivation, time management and communication skills amongst young people.

In the Arab context, especially in Saudi Arabia, higher education institutions are also facing increasing demands from employers and other stakeholders. The employers demand that the universities of today should provide relevant skill-sets needed by the current organizations. Iqbal (2010) emphasized that the skills of Saudi employees might not be currently adequate to fulfill the needs of the current local labor market. Similarly, Albahussain (as cited in Berhem, Salih, & Yousef, 2008) found that the Saudi higher education graduates skills were inadequate. This is because, the education outcome does not respond to the market demand, and most of the Saudi graduates prefer to join managerial and administrative jobs rather than technical and vocational jobs that are largely occupied by non-Saudi workers, because these jobs have low wages and they are socially considered menial jobs (Rice, 2004).

The role of higher education is vital towards creating knowledge that will lead to national economy and social growth. It helps to satisfy the updated society needs to achieve social and economical development. Due to the new challenges, which the higher education institutions have been facing in recent years, it makes it particularly interesting to study employers' assessments of the graduates' competencies in actual practice (Martensen & Gronholdt, 2009). A closer examination of its causes, its relative importance and a comparison of both academia and employers' views would be interesting to explore in the Saudi context. Therefore, the purpose of this study is to determine if there are differences among employers and university academicians in their perceptions of the importance of skills and competencies that are needed by graduates seeking entry-level employment in the Kingdom of Saudi Arabia. In addition, this study will serve as an exploratory research for graduate competencies in meeting the local industry needs.

*The Education System in Saudi Arabia*

Higher education in the Kingdom of Saudi Arabia is comprised of a number of educational institutions according to the level of qualification awarded. For instance, for the level of bachelor degree and above there are 21 universities, more than 50 girls' colleges of education and 18 male colleges which are all administered by the Ministry of Higher Education in addition to one technical college supervised by the General Organization for Technical Education and Vocational Training (GOTEVT) (Alshammari, 2009). The objective of the Saudi Ministry of Higher Education is to ensure that education becomes more efficient, to meet the religious, economic and social needs of the country and to eradicate illiteracy among Saudi adults. There are several government agencies involved with planning, administrating and implementing the overall governmental educational policy in Saudi Arabia (Ministry of Higher Education, 2010).

Recently, the Saudi Ministry of Higher Education (MOHE) has launched several higher education initiatives in technical readiness and infrastructures, in the scientific and technical domains, both regionally and internationally (Sawahel, 2010). However the education sector in Saudi Arabia is facing several challenges identified by the World Bank report on Middle East and North Africa (MENA). Supporting the above view, Hawawini (2005) argued the vision of the new business schools and clarified that every school should not aim to become a truly global knowledge and learning network. Many would continue to serve their local market, others would adopt a more regional scope and a few would be truly global. According to The World Bank report (2012) the education systems in MENA must be changed to deliver the new skills and expertise necessary to excel in a more competitive environment, it must produce competent and flexible human capital.

On the other side, there is a general notion that the learning institutions in Saudi Arabia fail to provide young *Saudis* with the required skill-set for job-readiness and this weakness encourages many private employers to move away from dependency on lower cost, ready-skilled, foreign workers from the Indian sub-continent: Palestine, Lebanon, the Philippines and elsewhere (McEnhill, Perry, & Sherlock, 2006). In a recent study on the Saudi education system, Al-Dosary, Rahman, & Shahid (2005) found that there was a gap between the system of education and market demands. They found that the inadaptability of educational curriculum and a chronic imbalance between supply and demand in the educational system obstructed educational reforms. Therefore, a competency-based approach requires that educators (academics or non-academics) examine the current environment and its needs, from which they determine content and competencies to be achieved in the instructional program.

In the present study, the authors use the term competency to include knowledge, skills and personal characteristics that an individual may utilize in performing tasks or actions in the workplace.

## LITERATURE REVIEW

*Graduate Competencies Developed By Learning Institutions*

A competency is the capability of applying or using knowledge, skills, abilities, behaviors, and personal characteristics to successfully perform critical work tasks, specific functions, or operate in a given role or position. Personal characteristics may be mental/intellectual/cognitive, social/emotional/attitudinal, and physical/psychomotor attributes

necessary to perform the job (Ennis, 2008). Hodges and Burchell (2003) define competency in a workplace as a combination of cognitive skills (technical knowledge, expertise & abilities), and personal or behavioral characteristics (principles, attitudes, values & motives), which are the function of an individual's personality. Behavioral (soft) skills such as those gained through curriculum that incorporate critical outcomes such as analytical skills, teamwork, organizing and managing oneself, usually deliver more competent and employable graduates (Coll & Zegwaard, 2006).

Conclusively, McQuade et al. (2005) note:

the new environment requires that individuals need to be increasingly flexible, innovative, good communicators and team players, contributing to the strategic goals of the company and increasingly technically/professionally competent. This presents companies, education providers and development agencies with some significant challenges and the opportunity to be creative. (p 19)

In considering the review of the literature available on competency models, it has observed that there is no agreement among the researchers on the set list of competencies. Some of the competencies lists were cultural bound and some of them were focused on certain specializations such as Sales, IT or Finance areas. However, Paulson (2001) as cited in Ennis (2008) explains that competencies could be used to prepare graduates for entry into the performance-driven labor market. Competency models/lists are guidelines or maps for guiding education, training and professional development. In addition, competency models can train individuals in their present job, educate workers for their future jobs and develop workers by assisting in learning skills not specific to any particular job (Ennis, 2008).

#### *Competencies Required by Employers*

Recently, some employers have recognized that it is important for graduates entering business roles to have adequate competencies that match the organizational needs (Martensen & Gronholdt, 2009). In a US survey of IT employers, the Boston Area Advanced Technological Education Connections group (BATEC, 2007, as cited in Jackson (2009) found that employers placed more emphasis on employability skills than technical ones: "technical skills are important, but without employability skills, technical skills are merely commodities. Employability skills turn intellectual commodities into intellectual capital" (p. 34).

Employability skills are also sometimes referred to as generic skills, capabilities, enabling skills or key competencies. According to Al-Ajmi (2003) employability skills can be divided into three broad categories; 1) proper skills (i.e., basic skills required by all the graduates), 2) attributes (i.e., opinions, morale, flexibility and motivation, 3) knowledge (acquired knowledge). A review of recent literature examining generic competencies required from graduates, points to increasing emphasis on personal attributes, rather than technical skills (Hodges & Burchell, 2003).

Various researchers have identified a number of competencies required or expected from graduates. For example, Hodges and Burchell (2003) consider computer literacy; customer and client service (such as customer service orientation, and order, quality and accuracy); interpersonal communication; and, problem solving to be the four most important competencies required from graduates. Knight and Yorke (2003) found that employers want graduates with knowledge, ability to cope with uncertainty, ability to work under pressure, action-planning skills, communication skills, IT skills, proficiency in networking and team

working, readiness to explore and create opportunities, self-confidence, self-management skills, and willingness to learn.

Kelley and Gaedeke's (1990) note oral communication, written communication, problem solving, analytical skills, computer applications, and leadership/teamwork skills as the important skills. Similarly, Clarke (1997) conducted a study on 40 trust member companies. The study group found that employers are actually looking for the graduates who possess attributes of long life learning, flexibility and adaptability to changes as well as some generic skills of communication, teamwork, initiative, problem solving and decision making. Some researchers (such as Done (2011) and Bovinet (2007) also view critical thinking, cross-functional competence, communication skills, global and cultural awareness, full competence in a self-disciplined, technological competence skills and competencies be foremost in a student's skill-set.

The study of management competency development of business graduates in higher education has received limited investigation in the Arab context due to lack of scholarly research on graduates' competencies and poor access to journal databases. However, some of the researchers (for example Tachibanaki, 1998; Rima, 1981) confirmed the impact of education on skills attainment. Consequently, many countries provide subsidies and facilities for education and training programs to improve the productivity and skills of their population. Such a strategy was adopted in Saudi Arabia, but the gap continues. Berhem, Salih & Yousef (2008) carried out a research on 155 business leaders in the United Arab Emirates (UAE). The results of this study revealed that the business leaders allocated high-relative importance rating to the working effectively in a team, motivating and energizing people, working effectively in upper management, thinking and acting strategically, acting effectively under time pressure, providing leadership, thinking critically and creatively about complex issue, appreciating, understanding, and leveraging diversities, communicating effectively orally, acting responsibly beyond reproach.

In another study conducted in the UAE context, Berhem, Younies, & Smith (2011) found that the computer skills, communication skills, knowledge of worldwide networks and contacts, knowledge of home culture, and the ability to understand cultural dynamics were the most important skills in UAE graduates. Similarly, Saudi employers expect their national system of higher education to provide graduates (their future employees) with the relevant knowledge and skills required to carry out their work to the highest possible standard (Al-Ajmi, 2003; Iqbal, 2011).

Table 1 presents the summary of graduate competencies by category that is stated in the literature as required by employers.

#### THE PURPOSE OF THE STUDY

The purpose of this study was to determine if there were differences among employers and university academicians in their perceptions of the importance of skills and competencies that are needed by graduates seeking entry-level employment.

This study was significant because it attempted to utilize qualitative epistemology or data collection technique. A combination of qualitative method and observation is used in the study. Data sources from the structured interviews and observations in academia were supported by an assessment of employers' opinions. The second important factor of this study was identifying conditions that contribute towards business graduates' ability to

enhance managerial competencies. To date, little research has been dedicated to assessing the effectiveness of applied competences in Saudi organizations.

TABLE 1. Summary of the graduate competencies by category found in the literature as required by employers

<b>Technical Skills</b>
<ul style="list-style-type: none"> <li>• Project management</li> <li>• Computer literacy</li> <li>• Problem solving</li> <li>• Action planning skills</li> <li>• Information management</li> </ul>
<b>Interpersonal Skills</b>
<ul style="list-style-type: none"> <li>• Ability to adapt and change</li> <li>• Ability to cope with uncertainty</li> <li>• Ability to work under pressure</li> <li>• Networking skills</li> <li>• Team work</li> <li>• Analytical skills</li> </ul>
<b>Intrapersonal Skills</b>
<ul style="list-style-type: none"> <li>• Decision making</li> <li>• Customer centricity</li> <li>• Creativity, entrepreneurship and vision</li> <li>• Effective communication - written and oral</li> <li>• Problem solving</li> <li>• Readiness to explore</li> <li>• Self confidence</li> <li>• Self discipline</li> <li>• Willingness to learn</li> </ul>
<b>Business Knowledge Skills</b>
<ul style="list-style-type: none"> <li>• Understanding of organizational structures and decision making process</li> <li>• Solution customization for corporate customers</li> <li>• Thinking globally and acting locally</li> <li>• Understanding of value and supply chains</li> <li>• Cultural awareness and adaptability</li> </ul>

This area still needs thorough research, especially in the sub domains of required and taught competencies that put a pressure on increased effectiveness in current organizational issues, such as Saudization policy and global competition. Saudization policy requires that government and private businesses should replace foreigners with Saudi citizens and impose restrictions on recruitment of immigrants from other countries (Sadi & Henderson, 2005). This study is an attempt to fill the gap in the literature related to the Saudi context. Therefore, this paper aimed to answer the following questions:

1. What is the relevance of the current competencies of business graduates to the job market? Or what competencies do the employers demand when employing a business graduates?
2. What are the future business competencies that will be required in the job market and satisfy employers' expectations?

3. What is the contribution of the business schools in producing quality graduates for the Saudi job market?

## RESEARCH DESIGN

This study aimed to explore the process of collaboration between companies and universities in Saudi Arabia. It has served as exploratory research on Saudi Arabian graduates' skills and competencies in meeting the local industry needs.

Researchers, such as Yin (2003), identified three designs that researchers commonly use: exploratory, descriptive, and explanatory. The choice of the research design depends on the research problem. Exploratory research is a qualitative technique that extracts detailed information in order to understand the uniqueness of a situation (Creswell, 2004). In an exploratory study, data collection can be derived from a number of methods, which include interviews, focus groups, surveys, telephone interviews, field notes, taped social interaction or questionnaires (Heaton, 2004). Barriball and While (1994) suggested that structured interviews are suited for the exploration of perceptions and opinions of the respondents. Emphasis of the qualitative interview is on what participants say or share when responding to questions informed by the literature.

This study is different from the previous researchers in two ways: 1) early studies on 'soft skills' in graduates (such as Hodges & Burchell, 2003; Mitchell et al., 2010; Robles, 2012) focused on quantitative methods; however this study employed qualitative methods, and 2) previous research has been carried out in Western cultures, nevertheless, this study has been conducted in the Arab context. Therefore, in the present study, an exploratory research method has been deployed, because there was limited theoretical knowledge about the university-industry linkage in Saudi Arabia. The data has been collected through the structured interviews.

### *Conduct of Interviews*

The process employed to engage the respondents involved:

- The respondents were contacted via email and provided the initial information about the study
- Follow-up telephone calls to confirm their willingness to participate in this study
- Scheduling an appointment for an interview with the respondents.

Seventeen potential respondents, comprising senior managers and consultants from various fields of business, were contacted via emails. Eight managers and consultants responded positively (A - finance and banking, B - health, C - manufacturing, D - automatic, E - technical, F - hotel and hospitality, G - recruitment consultant, H - marketing professional). A further two responded but interviews could not be arranged due to some technical reasons. The remaining seven persons failed to respond to the invitation to participate in the study.

The main concern of the researchers was to involve those interviewees who were directly involved in developing or utilizing business graduates competencies and skills. The sampling technique employed can be considered *convenience sampling*. Convenience sampling is a non-probability sampling procedure that involves choosing the nearest and most convenient persons to act as respondents (Robson, 2002). Face-to-face one to two hours interviews were conducted with each respondent separately. With the consent of the

interviewees, each interview was tape-recorded, transcribed and then summarized into report form. According to the respondents' experiences and the nature of the work, questions were asked related to the taught competencies at university level as well as required competencies from the employers' perspective (for the sample questions, see Appendix A).

## FINDINGS AND DISCUSSION

This section is mainly concerned with presenting the analysis of the in-depth interviews based on the questions posed to the interviewees. Furthermore, this section has been divided into four subsections to indicate the expected graduate competencies and required competencies. The four main themes are examined:

- Employment trends and issues in the Saudi market,
- Skill-set among the recent graduates,
- Skill-set required in the future graduates, and
- The role of Saudi business schools in developing new skill-set.

### *Employment Trends and Issues in Saudi Market*

When asked to comment on the employment trends in Saudi market, most of the interviewees (respondents B, E, F, G, and H) noted that in Saudi Arabia, as compared to the other Gulf Cooperation Council (GCC) countries, has been at the forefront of job creations. This fact is backed by the research report, produced by online recruiting firm *Gulf Talent*. It summarizes the status of the employment market and forecasts key trends during 2012. According to the report, Saudi Arabia leads job creation in the Gulf, while Bahrain is far behind the group with almost no expansion reported (Gulf Talent, 2012).

Based on the interviews, the panel listed several HR and work related issues. These issues of the organizational level (micro level) in the Saudi market might be attributed to the following factors:

- Outdated job descriptions,
- No clear search criteria for hiring,
- No proper orientation programs,
- Key performance indicators (KPIs) and employee appraisals are missing or very poorly articulated,
- No career development plans exist,
- No presence of psychometrics, and
- No proper mechanism of recognition or appreciation.

The Saudi labor market could face a huge "brain-drain" in the coming years if it fails to address the issues mentioned by our respondents. In short, if the Saudi Ministry of Labor truly wants to benefit from the existing human talent, then Saudization is simply not enough. More efforts should be done to improve retention by taking into consideration the other factors such as better recruitment efforts, reviews of job content, analysis of market oriented compensation practices, leadership and supervision, career planning and development, alternative work schedules, working conditions; non-work factors such as employee wellness, team building, centralization, organizational communication and commitment, proper exit interviews, counseling for leavers, flexible working hours, compressed work week, employees involvement, policies for turnover and recognition (Iqbal, 2010).



*Skill-Set Among the Recent Graduates*

Most of the interviewees agreed that around 70% of graduates/applicants had required skills, among them 30% only were properly qualified. Furthermore, the interviewees identified the following skill-set among the recent graduates at the workplace. A summary of those skills is presented in Table 2 along with the respective sector.

According to the data analysis, the communication, dealing with customers, computer skills, networking, bargaining/ negotiation skills were the common skills in the recent graduates/applicants. However, respondents A and B found that the recent graduates lack 'thinking globally and acting locally' skills. While, respondents C and D found recent graduates lack analytical skills. According to the interviewees, the only competencies in which recent graduates were seen to be performing less than satisfactorily were problem solving, analytical skills, self-confidence and leadership.

This perception is consistent with the view of Maroun, Samman, Moujaes & Abouchakra (2008) who felt that the Saudi graduates from all levels of the education system lack training in "soft" business skills such as leadership, team motivation, project management, problem solving, communication, and negotiation.

*Skill-Set Required In Future Graduates*

The following section summarizes the full range of competencies cited by the respondents as being important in future graduates.

*a. Technical Skills*

According to the interviewees, the *information management, problem solving* and *computer literacy* were the vital competencies required in the modern graduates. Respondent G rated *problem solving* and *information management* skills most significant in the future graduates.

He explained "...whenever there is a problem you need to gather information therefore, the students should have an ability to dig up the information, ability to synthesize the information and present it to the seniors for the right decision".

This finding is consistent with the previous studies (Gibbs, Steel & Kuiper, 2011; Bennett 2002; Dunne Bennett & Carré, 2000; Kelley & Gaedeke, 1990). For instance, Gibbs et.al (2011) considered computer literacy, information management and problem-solving skills as transferable skills. Transferable skills were defined as those skills required in any job which allow workers to be flexible and adaptable (Bennett, 2002). Similarly, an analysis of 1000 job advertisements by Bennett (2002) considered a range of transferable skills that employers expect university graduates to have when entering the workforce. These skills included computer literacy, problem-solving, and IT skills.

Dunne et al., (2000) noted that there was a general agreement about the importance of Information Management, Information Technology and Problem solving abilities. They stressed that these skills were considered to be generic skills as they represent the skills that could be used in any discipline.

TABLE 2. Skill-set among the recent graduates per the sector

INDUSTRY OR SECTOR	EXISTING COMPETENCIES
Marketing/Sales	Research and information gathering Data analysis and interpretation Sales analysis Negotiating and bargaining Practical knowledge in media, graphic design Customer service and satisfaction, communication with customers Serving more than one client at a time Social networking
Health Services	Knowledge of modern techniques of diagnosis Field-specific knowledge Customer services
Hotel and Hospitality	Fluent English Computer literacy Phone conversation skills General dealings with customers Self-discipline and commitment at work
Finance and Banking	Knowledge of financial management and banking products Computing skills
Services	Sales and presentation Computer literacy Decision making Ability to learn quickly Financial analysis Commercial knowledge and negotiation skills Informational security Network systems Customer relations Foreign languages (English and Arabic, French or Spanish) Work under pressure
Industrial and Manufacturing	Trends analysis Quality control Production analysis MS Office Produce professional impression on customers Ability to analyze and resolve the problems Planning skills Team work Leadership Time management

*b. Interpersonal Skills*

When the interviewees were asked about the importance of the interpersonal skills and the required competencies in the future graduates, interviewees identified *ability to cope with uncertainty, working under pressures, ability to change and teamwork* skills as being important in the future graduates. Respondent F emphasized "...some of the university graduates had some level of attitude problem. They need to understand that they have to go from micro level to macro level. Success is about attitude not aptitude in most cases". Respondent D mentioned that the graduates should have patience and flexibility. The service sector needs people with great adaptability, flexibility and teamwork skills.

This finding is consistent with the previous studies (such as Berhem et al., 2008; Andrews & Higson, 2008; Raybould & Sheedy, 2005). For instance, Raybould and Sheedy (2005) noted that for graduates to be accepted by the employers, it was essential that they were able to show evidence of having the ability to cope with uncertainty, the ability to work under pressure, demonstrate action-planning skills, communication skills, information technology skills, team work, readiness to explore and create opportunities, self confidence, self-management skills, and willingness to learn.

*c. Intrapersonal Skills*

When the interviewees were asked about the importance of the intrapersonal skills and the required competencies in the future graduates, interviewees revealed that the self-confidence, readiness to explore, discipline and effective communication are the vital competencies. Respondents A and G envisaged 'self-confidence' and 'readiness to explore' competences were important in the future graduates. Respondent G stated "...self-confidence can overcome your shortcomings at the workplace. Our organization let the employees do mistake and learn from their mistakes. If you have self-confidence you could set a vision and plan how to solve the problem".

This finding is also consistent with the previous studies (Berhem, Salih, & Yousef (2008); Raybould & Sheedy (2005). Raybould and Sheedy (2005) noted that for graduates to be accepted by the employers, it is essential that they are able to show evidence of having the ability to cope with uncertainty, the ability to work under pressure, demonstrate action-planning skills, communication skills, information technology skills, team work, readiness to explore and create opportunities, self confidence, self-management skills, and a willingness to learn.

*d. Business Knowledge*

When asked to identify the vital skills under the category of business knowledge skills, interviewees found cultural awareness and adaptability, and understanding of supply and value chains critical for the future graduates. Respondent E considered the importance of the learning other cultures, as well as the inclusion of global perspectives in each business course. He stated that "organizations are becoming increasingly diverse; therefore, understanding other cultures is inevitable. One small misunderstanding can lead to massive personal conflict at workplace". Similarly, Respondent G pointed out the importance of cultural awareness and adaptability. He described it as

wherever you go, you need to be able to think globally. Then, it depends on where you are working; you need to be sensitive to the local culture and adaptation in that

culture. We have witnessed many expatriates who came to our organization and stayed for few years, then left because of the culture.

This finding is consistent with the research conducted by the Done (2011) and Bovinet (2007). Done (2011) found that contextualization and knowing about the value chain are critical skills for the graduates. However, these skills are further refined at work places. He stated:

most employers of recent graduates are aware , their [graduates] knowledge is still raw and needs to be contextualized and developed into real professional competence that is of benefit to both individual and organization. Through learning by doing it develops with time and becomes practical on-the-job experience.

#### *Role of Saudi Business Schools in Developing a New Skill-Set*

Despite the increased investment, \$54.4 billion for education in its budget for 2013 (Saudi investment in education, 2013), there has been some criticism towards the Saudi educational system. Specifically that the system is not fit to give the students the essential employable skills to enter the workplaces. Instead, critics claim, the education is skewed towards religious studies and literature, which is not compatible with the needs of the Saudi market.

Some of the interviewees (Such as respondents E, G and H) noted that the schools and colleges teaching business skills, especially HR aspects, are lacking in the Saudi market, which resulted in shortage of HR professionals in the organizations, and affected the HR rules and policies applied in the organizations. Respondent G pointed out that the business schools require to plan further to determine the actual demands of the market. Respondent C raised the point that there is a gap between what is taught or learned at business schools and real life experiences in the Saudi market. Furthermore, most of the graduates leaving universities are lacking 'soft' skills.

This perception is consistent with the article published in the Gulf News written by Amelia Naidoo. According to Naidoo (2011) there is significant room for improvement when it comes to graduates' soft skills, which includes language, workplace etiquette, friendliness, communication, personal appearance and time management. These skills are as important as the occupational requirements of a job. Similarly, Hawawini (2005) noted:

The typical business school course (undergraduate, graduate and, to a lesser extent, executive education) is designed to impart a large dose of quantitative management skills and techniques. But employers, alumni and even students are increasingly demanding so-called softer skills of two types: behavioral and societal. Behavioral skills include the ability to work with others, to communicate effectively, to display multicultural awareness, and to exhibit some entrepreneurial and leadership qualities.

At the end, all the interviewees were asked about the suggestions for the business schools' curriculum in the Kingdom of Saudi Arabia (the Kingdom). Following are the recommendations for the Business schools in the Kingdom of Saudi Arabia proposed by the interviewees:

1. Students need to be exposed to the service-learning concepts and service learning projects. Service learning is defined by Jacoby (1996 as cited in Roskell, White, & Bonner, 2012) as "service, combined with learning, adds value to each and transforms both". It means that a course-based educational experience in which students work with community groups as a volunteer, where they were giving service to their community and understanding of course content, a broader appreciation of the discipline, and an enhanced sense of civic responsibility (Roskell et al., 2012). The

service-learning projects can be incorporated into every advanced level business courses.

2. Exposing students to others with diverse backgrounds and experiences, so that they will learn new skills and understand the diverse issues. Business schools can form heterogeneous groups and arrange group activities such as panel discussions or working on complex projects/ issues.

3. Introduce foreign languages (Chinese, Spanish, French, Urdu, etc.) as a part of curriculum, so that students can learn other cultures and traditions.

4. Incorporate the changes into existing curriculum with the consultation of the local employers and Alumni. Modify the instructional strategies, because 'one size fits all' does not work in academia.

### CONCLUSION AND IMPLICATIONS

This study has brought to light a number of issues pertaining to the domain of graduate competencies and it has highlighted the importance of having a right skill-set for the Saudi organizations. The nature of business organizations is highly unpredictable and hence the demand of organizations changes fast, making it necessary for hiring fresh graduates who are equipped with skills or certain special kinds of skills, in order to satisfy the changing requirements in the organization. This study has identified the required competencies in the future graduates. Overall, respondents found that *Interpersonal skills* are vital for the future graduates. The summary of the competencies is presented in the Table 3.

TABLE 3. Summary of the vital competencies required in future graduates

Skill Category	Critical Skills
Technical	problem solving, information management, computer literacy
Interpersonal	ability to cope with uncertainty, working under pressure, ability to change, teamwork
Intrapersonal	self-confidence, self-discipline, readiness to explore unknown
Business Knowledge	cultural awareness and adaptability, value chain (supply chain)

For the *Technical and Business Knowledge Skills*, Business Schools in the Kingdom of Saudi Arabia, for example, should apply a mixture of psychometric tests, business simulations, scenario building and case discussions, mock interviews, and group discussions/problem-solving exercises as part of its course content.

For the *Interpersonal Skills and Intrapersonal Skills* also called as 'soft skills', business schools should introduce special courses into curriculum such as Life and Learning, Time management, Change management and conflict Management etc. In summary, graduate employability can be enhanced through a combination of the content of the curriculum and the development of interpersonal and intrapersonal skills. There is a need for university-industry linkage to identify the core competencies required in the future graduates. It is also suggested that there should be a frequent interactions between industry experts and academics related to curriculum review initiatives and joint research collaborations.

Research presented in this paper has many implications for the business schools and for the corporate world. Although, no clear linkage was found between academia and corporate world, it can be argued that future graduates skills developed through university-industry linkage would enable them to face uncertain situations better than otherwise. To facilitate more university-industry linkage, business institutes may establish advisory groups, comprising business leaders and employers from major corporations in the Kingdom. This study was conducted as small-scale exploratory research. However, it has established certain ground for future research undertakings and may also serve for extension of the research by further in-depth examination of the corporate sector practices.

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## APPENDIX A

### List of Open Ended Questions For Interviews

QUESTION NO.	QUESTIONS
1.	Please specify the professional field in which your company/business/firm can be best classified.
2.	What are the employment trends in Saudi Market?
3.	Which of the sector does your business/company belong?
4.	In the last 2 years, since 2010-2012, how many applications were submitted by new graduates to your company as a result of jobs advertisement?
5.	In the last 2 years, how many new graduates did you hire?
6.	Of those hired graduates, for the same period of two years, what were theirs specializations/majors?
7.	Among submitted applications, two years period, how many had relevant set of skills, regardless of whether the opening was available?
8.	How would you rate the skills of those graduates who applied?
9.	Thinking of a newly recruited graduate in your organization what was their first job assignment?
10.	Do you think that the graduates need additional training in their respective vocation in order to do a satisfactory job in your business/company/firm?
11.	Please explain which additional skills and knowledge are needed.
12.	Any suggestion for the Business Schools in Saudi Arabia?





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