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Competency Profile of MBA Students in Tamil Nadu using One Sample T Tests**Abstract**

Management education in India is facing a crisis with industry participants expressing their worry over the widening employability gap. The MBA student's competency gets impacted by Skills, Knowledge and Attitude. There is a felt need to identify combination of these underlying factors and its impact on MBA student competency. This paper attempts to understand and identify the competencies expected out of MBA students and profile their competency based on the results. The study is carried out with a sample size of 595 MBA students from Tamil Nadu representing self-financing colleges, Standalone B-School, University departments and Government/Govt Aided colleges. This study will help the student community to aggressively look for their share in industry in the form of enhanced placement through competency development.

Keywords: Competency, Competency Development, Employability gap and Placements.

Introduction

Management education in India is facing a crisis with industry participants expressing their worry over the widening employability gap. The B-schools are criticized by the industry but still the Institutional promoters fail to focus on quality rather than quantity. While the number of MBA seats has increased by 272.28% in last 5 years from 94,704 in 2006-07 to 3.5 lakhs in 2012 (Hemali Chapia, Times of India, Feb 28, 2012). The National Employability Report on MBA Graduates (2012) by Aspiring Minds reveals that employability of the MBA students across different functional domains is at a 10% level. The craze among the students to get into B-Schools other than the top tier is fading due to the factors such as uncertain economy, sluggish financial sector, lack of quality placements and degradation of quality of MBA education.

Many B-Schools are struggling. The Assocham report says that nearly 180 B-schools have been shut down last year in major cities like Delhi, Chennai, Mumbai, Kolkata, Bangalore etc. Around 160 B-Schools are expected to shut down in 2013 and the number is increasing further. Campus recruitments have gone down by a massive 40 per cent during 2009-2012, says the report. Only 10 percent of MBA graduates from Indian B-Schools apart from the top 20 get a job immediately after their course whereas 54% of students were able to get jobs on campus in 2008 (Shutapa Paul, The New Indian Express, Feb 24, 2013). Here lies a problem which needs attention. This paper attempts to understand and identify the competency expected out of MBA students and profile their competency based on the results.

Review of Literature

Datar (2010) raised a question regarding the ability of MBA programs to prepare MBA students for their career. B-schools are responsible for producing MBAs who does not suite the Industry requirement. Leavitt (1989); Mintzberg (2004); Bennis & O'Tools (2005) have accused the MBA programs of focusing more on imparting theoretical knowledge and less attention is providing for imparting practical skills.

Datar, Garvin, & Cullen (2010) observed that MBA are lacking in global perspective, leadership skills, integration skills, recognizing organizational realities and implementing effectively, innovation and creativity, critical thinking and communication. The MBAs also lack behind in understanding the purpose, role and responsibility of business houses and they do not have a proper understanding of the limitations of markets and models. In the absence of these skills, the MBAs remain unemployable.

Dacko (2006) examines and discusses MBA students', accreditator's and employers' views of desired and actual skill development in communication skills, analytical skills, leadership skills, interpersonal and decision making, which are acknowledged as five broad business skills in the extant literature. The table below gives a summary of various skill studies in Management education by different researchers. The importance provided by different researchers for the five skills viz. communication skills, analytical skills, leadership, interpersonal and decision making skills and various other skills are given in the table below.

Table 1: Summary of Skill Studies in Management Education

Author/ Organization & Research Emphasis	Skills Studied
Porter & McKibbin AACSB (1988): Accreditor's view of key mgmt. educ. Skills	Written & Oral Communication, Analytical, Leadership, Interpersonal, Decision Making, Planning/ Organizing, Initiative, Risk taking and Computer skills
Assoc. of Graduate Recruiters (1995): Employer's view of employability skills	Analytical, Interpersonal, Decision making, Teamwork, Enthusiasm, Motivation, Initiative, Commitment, Organizing and Foreign language
Cytraus (1995), Melancon (1998): Prof. associations views of transferable skills	Analytical skills, Decision making, Problem solving and Financial Skills
Stewart & Knowles (2001): Researcher's view of transferable skills	Written & Oral Communication, Interpersonal, Decision making, Initiative, Creativity, Motivation, Teamwork, Organizing skills
Mallough & Kleiner (2001): Researcher's view of employability skills	Oral Communication, Analytical, Decision making, Planning, Coordinating, Foreign language, Listening, Goal setting and Time management
Duke (2002): Researcher's view of key skills as learning outcomes	Written & Oral Communication, Analytical, Leadership, Interpersonal, Decision making, Technological, Global Economy, Ethics, Business practice
Davis, Misra, Van Auken (2002): Researcher's view of key skills as learning outcomes development	Written & Oral Communication, Analytical, Quantitative skills, teamwork, problem identification, workable solution
Stewart & Knowles (2003): Researcher's view of transferable skills	Written & Oral Communication, Leadership skills, Team working and Adaptability
Burgoyne, Hirsh & Williams (2003): Researcher & business school associations view of employability skills	Leadership, Interpersonal, Self-management, Direction Setting, Business efficiency
CIM (2005): Prof. mktg. organization's view of key competencies	Analytical, Leadership, People skills, Numerous other role-specific competencies
Good (2006): Recruiter's employer's views of employability skills	Written & Oral Communication, Analytical, Interpersonal, Decision making, Team building, & Ability to comprehend complex data

Source: Dako (2006)

“Competency is a cluster of related knowledge, skills and attitudes that affect major part of one's job that correlates with performance on the job that can be measured against well accepted standards that

can be improved via training and development”, Parry, 1996. The MBA student’s competency gets impacted by Skills, Knowledge and Attitude. There is a felt need to identify combination of these underlying factors and its impact on MBA student competency.

Primary Objectives

- To identify the industry expectations on MBA graduates
- To draw the competency profile of the management graduates.

Secondary Objectives

- To understand the competency level of MBA students with respect to soft skills
- To understand the competency level of MBA students with respect to functional skills
- To understand the competency level of MBA students with respect to attitude development
- To understand the competency level of MBA students with respect to knowledge gained

Methodology

The type of study is exploratory research. The study has attempted to explore competency factors that are required for a MBA student. The different components of competency such as Soft skills, Functional skills, Attitude developed and Knowledge gained are extracted by the researcher through solicited information from experts, extensive literature review. The competency level of MBA students is identified through data collection with a structured questionnaire. The study is exploratory in nature as the researcher has tried to draw inferences and arrive at valid conclusions based on scientific analysis of the collected data. The sample size for the study is scientifically calculated and is found to be 595 at 95% confidence level and 0.04 confidence interval. Stratified random sampling procedure is used to select the 595 MBA students, where 70% of students are from self-financing college, 21% from Standalone B-School, 9% from University department and 1% from Government/Govt Aided colleges.

Analysis & Discussion

Over the years there is a gradual descend in the quality of education in the management domain, which is evident from the fact that the placement record of the b-school output is dismal. Here lies a problem, which need to be addressed for the benefit of the stakeholders. The study has attempted to identify the industry expectations and competency level of MBA students in terms of skills, knowledge and attitude, which will help the student community to look for competency development. The analysis is done to understand the competency level of MBA students in each of the identified factors.

The one-sample t-test is used to determine whether a sample comes from a population with a specific mean. One sample t test is used in order to know whether the mean competency scores of a particular sample of MBA students are similar to or different from MBA students in general. The one-sample t-test can be used when the population variances are equal or unequal, and with large or small samples. For very large samples, it is best to use t-distributions any time the population standard deviation is not known. One sample t test results help us to understand the competency levels of the MBA students with respect to the soft skills, functional skills, attitude development and knowledge gained identified for the study. The factors with good, average and below average competency mean scores are identified and suggestions to improve competencies are provided.

The basic profile of MBA students who participated in the study is discussed in the ensuing paragraphs followed by the competency profile of MBA students.

Majority (59%) of student respondents is male and 41% of student respondents are female. Hence it is observed that majority of the MBA students are from Male. The Gender ratio disparity is very minimal considering the fact that there is substantial increase in the number of Female students opting to do MBA in the recent times. 36% of the commerce background students opt for MBA, followed by 32% of Engineering & Tech students, 28% Arts & Science students and 4% of students belonging to others streams such as Biotech, Pharmacy, Hotel Management etc. opt for doing a MBA. Hence it is observed that there is a rise in the number of Engineering students opting to do MBA after their under graduation. Majority (94%) of MBA students do not have Pre-MBA work experience. Very few (8%) of the students have work experience prior MBA. It seems that apart from the few top B-Schools others do not give much importance to Pre-MBA work experience as important criteria for MBA admissions. Also the rise in the distance mode MBA may be the reason behind as many people with work experience opt to do MBA in distance mode. It is observed that 67% of respondents with Pre-MBA work experience have up to 1 year experience, 27% have up to 2 years' experience and 8% have more than 2 years of experience.

Soft Skills

Soft skills is the cluster of personality traits, social graces, communication, language, personal habits, friendliness, managing people, leadership, etc. that characterize relationships with other people. Numerous researchers have emphasized the critical need for twenty-first century employees to possess soft skills. Regardless of the business sector, proficiency in soft skills is important for success, Mitchell, Skinner & White (2010). Wilhelm (2004) has reported that employers find entry-level employees are deficient in soft skills. Hence the importance of soft skills for an MBA student's career is indispensable.

One Sample T Test for Competency - Soft Skills

H1₀ : Soft skill competency rating of MBA students is equal to the average level.

H1_a : Soft skill competency rating of MBA students is not equal to the average level.

Table 2: One Sample T Test for Competency - Soft Skills

S. No	Soft Skills	Mean	SD	T Value	P Value
1	Communication Skills (Oral and Written)	3.53	1.390	61.95	<0.01**
2	Problem Solving & Decision Making	3.32	1.354	59.76	<0.01**
3	Coping with Stress	2.95	1.386	51.87	<0.01**
4	Networking Skills	4.02	1.338	73.27	<0.01**
5	Presentation Skills	3.26	1.265	62.86	<0.01**
6	Leadership Skills	2.33	1.210	47.01	<0.01**
7	Negotiation skills	2.98	1.238	58.66	<0.01**
8	Emotional Intelligence	2.90	1.244	56.83	<0.01**

(Source: Primary Data ** denotes significant at 1% level)

Since P value is less than 0.01 the null hypothesis is rejected at 1% sig level. Hence it is concluded that the soft skills competency rating of MBA students are not equal to average level. Based on mean score, competency rating of soft skills such as Communication skills, Problem solving & decision making, Networking, presentation skills are above average level whereas the soft skills such as coping with stress, leadership skills, negotiation skills and emotional intelligence are below average level.

Functional Skills

Functional skills are the skills required for performing domain specific tasks. Management students are expected to possess versatile skill sets to perform in today's competitive environment. The MBA students should have a strong foundation of the various skills shown in table 3 to handle different business operations effectively. The use of Computers, Internet & Digital technologies and other softwares which facilitate the business operations are vital for MBA students to perform better in the workplace.

One Sample T Test for Competency - Functional Skills

H₂₀ : Functional skills competency rating of MBA students is equal to average level.

H_{2a} : Functional skills competency rating of MBA students is not equal to average level.

Table 3: One Sample T Test for Competency - Functional Skills

S. No	Functional Skills	Mean	SD	T Value	P Value
1	Computer Skills	3.49	1.268	67.13	<0.01**
2	Report preparation (Using MS Excel)	2.57	1.383	45.42	<0.01**
3	Internet & Digital Technologies	3.3	1.36	59.13	<0.01**
4	Sales & Marketing Skills	3.81	1.258	73.80	<0.01**
5	Knowledge about Products & Services	3.65	1.2	74.11	<0.01**
6	Strategic Thinking and Operational Planning	2.77	1.337	50.58	<0.01**
7	Project Management Skills	2.29	1.354	41.31	<0.01**
8	Analytical Skills	3.21	1.253	62.48	<0.01**

(Source: Primary Data ** denotes significant at 1% level)

Since P value is less than 0.01 the null hypothesis is rejected at 1% sig level. Hence it is concluded that the functional skills competency rating of MBA students are not equal to average level. Based on mean score, competency rating of functional skills such as Computer skills, Internet and Digital technologies, sales and marketing skills, analytical skills and knowledge about products and services are above average level whereas the functional skills such as report preparation using MS Excel, strategic thinking and operational planning and project management skills are below average level.

Attitude Development

The purpose of business education is to change the attitude that managers have towards business conduct. Self-management is a key to build attitudes and the MBA students who can manage themselves in a better way have more chance of succeeding in the workplace. The industry looks for right attitude among the MBA students. The MBA education provides a strong platform for a change in the attitudinal orientation of its students. MBA students must understand the importance of attitudes in managerial life as it has its own significance in their careers.

One Sample T Test for Competency - Attitude Development

H₃₀ : Competency of Attitude developed by MBA students is equal to average.

H_{3a} : Competency of Attitude developed by MBA students is not equal to average.

Table 4: One Sample T Test for Competency - Attitude Development

S. No	Attitude Developed	Mean	SD	T Value	P Value
1	Ability to do things quickly	3.74	1.238	73.67	<0.01**
2	Willingness to learn new things	2.87	1.314	53.35	<0.01**
3	Self Motivated	3.48	1.35	62.86	<0.01**
4	Result / Goal Orientation	3.63	1.319	67.12	<0.01**
5	Adopt work ethics and values	2.65	1.38	46.81	<0.01**
6	Innovative thinking	2.47	1.307	46.03	<0.01**
7	Openness to Feedback / Criticism	3.74	1.204	75.72	<0.01**
8	Adaptability/Flexibility	3.75	1.321	69.21	<0.01**
9	Accepting Responsibility	3.48	1.431	59.27	<0.01**

(Source: Primary Data ** denotes significant at 1% level)

Since P value is less than 0.01 the null hypothesis is rejected at 1% sig level. Hence it is concluded that the competency rating of attitude developed by MBA students are not equal to average level. Based on mean score, competency rating of attitude such as ability to do things quickly, self motivated, result / goal orientation, openness to feedback / criticism, adaptability/flexibility and accepting responsibility are above average level whereas the attitude such as willingness to learn new things, adopt work ethics and values and innovative thinking are below average level.

Knowledge Gained

The theoretical knowledge is provided by the B-Schools on various business functions and its environment. There should be a blend of conceptual knowledge and practical knowledge for guaranteed success. The various critics raise an alarm that the MBA students lack behind the practical knowledge. The understanding of business functioning, industry awareness and knowledge on the various aspects of business coupled with research aptitude and quantitative abilities are crucial for any MBA student's career.

One Sample T Test for Competency - Knowledge Gained

H₀ : Competency of Knowledge gained by MBA students is equal to average.

H_a : Competency of Knowledge gained by MBA students is not equal to average.

Table 5: One Sample T Test for Competency - Knowledge Gained

S. No	Knowledge Gained	Mean	SD	T Value	P Value
1	Basic understanding of Business functioning	3.62	1.22	72.42	<0.01**
2	Industry Awareness	2.99	1.213	60.12	<0.01**
3	Business Intelligence & Analytics	1.34	0.705	46.33	<0.01**
4	Understanding real business problems & offer solutions	2.94	1.421	50.39	<0.01**
5	Research Aptitude & Quantitative abilities	2.94	1.471	48.68	<0.01**
6	Understanding Organizational Culture	2.33	1.371	41.38	<0.01**
7	Cross Functional understanding and Inter linkages	2.87	1.338	52.34	<0.01**
8	Understanding Consumer dynamics	3.82	1.161	80.24	<0.01**
9	Understanding the Human aspects of Business	3.13	1.277	59.84	<0.01**

(Source: Primary Data ** denotes significant at 1% level)

Since P value is less than 0.01 the null hypothesis is rejected at 1% sig level. Hence it is concluded that the competency rating of knowledge gained by MBA students are not equal to average level. Based on mean score, competency rating of knowledge gained on Basic understanding of Business functioning, Understanding Consumer dynamics and Human aspects of Business are above average level whereas the knowledge gained on Industry Awareness, understand real business problems & offer solutions and Research Aptitude & Quantitative abilities are below average level but close to average level. The knowledge gained on Understanding Organizational Culture and Cross Functional understanding and Inter linkages and Business Intelligence & Analytics are below average level.

Findings

- Majority (around 50%) of the MBA students has an average competency level in almost all the competency factors identified viz., soft skills, functional skills, attitude development and knowledge gained. The students with Low competency level and High competency level are equally spread and are around 25%, which means only 25% of the MBA students demonstrate high competency and the remaining 75% of the competency rating are not up to the mark.
- Competency scores of soft skills such as Communication skills, Problem solving & decision making, Networking, presentation skills are good whereas the soft skills such as coping with stress, leadership skills, negotiation skills and emotional intelligence needs improvement.
- Competency scores of functional skills such as Computer skills, Internet and Digital technologies, sales and marketing skills, analytical skills and knowledge about products and services are good whereas the functional skills such as report preparation using MS Excel, strategic thinking and operational planning and project management skills needs improvement.
- Competency scores of attitude such as ability to do things quickly, self motivated, result / goal orientation, openness to feedback / criticism, adaptability/flexibility and accepting responsibility are good whereas the attitude such as willingness to learn new things, adopt work ethics and values and innovative thinking needs improvement. Faculty Mentor schemes should be introduced in order to train the students in the above mentioned areas.
- Competency scores of knowledge gained on Basic understanding of Business functioning, Understanding Consumer dynamics and Human aspects of Business are good whereas the knowledge gained on Industry Awareness, understand real business problems & offer solutions and Research Aptitude & Quantitative abilities close to average level. The knowledge gained on Understanding Organizational Culture and Cross Functional understanding and Inter linkages and Business Intelligence & Analytics needs improvement.

Suggestions

- It is suggested that B-Schools should go beyond their routine academic schedule and organize training programs and workshops and outdoor learning activities on weekends so that the more emphasis is on Competency Development. More practical and blended learning tools should be adopted for imparting both conceptual and contextual knowledge to the students.
- It is suggested that b-Schools should engage guest lecturers, alumni and academicians on a continuous basis to conduct workshops and training programs to improve the soft skills with special focus on skills such as Stress Management, Leadership skills, Negotiation skills and Emotional intelligence.
- The students possess good Computer skills and competent to use the Internet and Digital technologies whereas the functional skills such as report preparation, strategic thinking, operational planning and project management skills needs improvement. Special Hands on training by Industry people through organizing Guest lectures once in a week to gain good strong competence in functional skills and practical knowledge.
- The student community must develop versatile skills and ready to adapt to changing industry requirements. The importance of time management and adaptability to multi cultural environment has to be emphasized through effective learning practices.
- Hand in Hand approach with Industry Partners for technical skills upgradation like MS Excel, Project Management Certification, Quality Certification courses, Data Analytics & Business Intelligence courses etc. can promote easy placement. Hence B-Schools can minimize the competency gap

between MBA students by working with the industry partners on a continuous basis towards competency building.

- The increasing the avenues for the MBA students to work closely with the Corporate Houses and Small & Medium Enterprises etc through internships, projects, consulting assignments, executive training and management development programs can fetch them the practical exposure which is required.

Conclusion

The study was aimed at identifying industry expectations and the competency of MBA students and its important elements i.e. Knowledge, Skills and Attitude. The student acknowledge the need to develop these 3 components but in varying degrees of importance. The responses from study provide insights that form the fundamentals. The theoretical framework offered in the MBA programme constitutes knowledge whereas the art of applying the knowledge practically in a contextual setting provides the skills. The mindset of the MBA students in organizing both knowledge and skills in tune with the new workplace environment provide the right attitude. The findings illustrate that B-Schools need to equip graduates with strong intellectual capabilities coupled with applied practical skills which make them 'industry-ready'. The beneficiaries viz. the student community also stands gained as they come out of these institutions with the expected competencies, which will usher them good employment.

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