The Applicability of Graduate Studies in Employment in Labour Market

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ABSTRACT

Relevant knowledge and necessary skills are considered as pre requirements for good labor market outcomes. One of the most important ideas in labor economics is to think of the set of marketable skills of employees as a form of capital in which they make a variety of investments. This paper was an attempt to move forward on this situation. The primary objective of this study was to determine the degree of applicability of occupied employees' graduate studies in labor market and to identify the consequences of the situation. The study was conducted among employees in private and public sector who have been passed out from state universities in Sri Lanka. Random sampling method was used to select the sample and a total of 100 questionnaires were provided for the actual survey. Only 75 questionnaires were taken to the consideration which was a 91.4 per cent of response rate. Two main research instruments were used in the study; questionnaires and interviews. Descriptive statistics were used to organize, summarize and describe the collected data. In addition Cronbach's Alpha was used for assessing the reliability of the questionnaire scored with a Likert-type scale. A concise conclusion of findings revealed that, due to the lack of job opportunities in the most applicable field, low job interest, low attractiveness of remuneration and allowances, lack of opportunities to upgrade in career path, internal domination in requirements and promotions, graduates tempt to change their employment when they enter/ after they entered to the job market. And also for the employees who are working in irrelevant areas which are not directly applicable with their graduate study job objectives, have faced a massive problem with the time and money they had spent on.

Key Words: Graduate Education, Employees, Applicability, Job Role

1. INTRODUCTION

Relevant knowledge and necessary skills are considered as pre requirements for good labor market outcomes. One of the most important ideas in labor economics is to think of the set of marketable skills of employees as a form of capital in which they make a variety of investments [1]. Education and relevant skills are essential conditions for good labor market outcomes [2]. Since the pre historical period in Sri Lankan society education has taken a wide range of important to the country. Sri Lanka enjoys a remarkable progress in terms of its basic socio economic indicators, compared to many other developing countries in the world. Even though the country has to be struggled with financial difficulties, the free education policy for all children up to the university has actively implemented since 1945. In such a scenario consistently of knowledge and skills through education which is given from primary education to higher education should be rooted by focusing the most applicable employment opportunities.

Education is essential for everyone for so many things, lifelong. Especially when it comes to the employment, the outcome of the knowledge should be a cushion to climb up. But in Sri Lankan it is widely accepted that there is a mismatch between supply and demand in the labour market due to some faults in education system [3]. In the name of free education, by and large the state determines what subjects or courses students should do from secondary school up to tertiary/university level education. That is, at the secondary level, students are required to choose a stream of subjects in accordance with certain criteria set by the Ministry of Education in conjunction with the University Grants Commission (UGC), rather than permitting the students to choose the subjects as they wish. At the university level too it is the UGC that picks the courses for the students based on marks obtained by the

students at the G.C.E. (A/L) examinations. Consequently, students are not completely permissible to apply for the course of their optimal and interest at universities. The result is that many students graduated doing courses they are not best at, and unfortunately that are not in demand in the labor market resulting a relatively high unemployment/ underemployment rates among the educated people. The Central Bank Report of Sri Lanka for 2009 stated that higher education is of "low quality and low standards and that 32 percent of students admitted to national universities study Social Sciences and Humanities and a substantial proportion of these graduates find it difficult to obtain productive employment". The same report concludes that "the country has a supply driven education system with little relevance to labor market conditions and to entrepreneurial culture" [4] Move forward on this existing problem, the study was conducted to identify the applicability of graduate studies in labor market through collecting primary data from a selected sample and analyzing the outcome using descriptive analyzing methods. Basically this was a quantitative research that uses deductive approach in order to achieve research objectives of the study.

OBJECTIVE OF THE STUDY

The primary objective of this study is to determine the degree of applicability of occupied employees' graduate studies in labor market and to identify the consequences behind the situation.

2. METHODOLOGY

The study was conducted among employees in private and public sector who have been passed out from a state university in Sri Lanka. Considering on the patterns of Sri Lankan labor market, though private sector plays a dominant role, still the preference of employees to work under government schemes remains unchanged. Based on this situation both public and private sector employees were included to the sample. Random sampling method was used and total of 100 questionnaires were provided for the actual survey. But the feedbacks were only from 82 respondents and out of this 82; 07 questionnaires were rejected due to incompleteness of answers. Ultimately only 75 questionnaires were taken to the consideration so the sample size of research was based on 75 questionnaires which is a 91.4 per cent response rate. Two main research instruments were used in the study; questionnaires and interviews. Interviews were used as an alternative research instrument to identify employers' personal prospects which was unable to gain by filling questionnaires. Structured questionnaires

used as the main research instrument to identify the applicability of education background and job role which they were engaged in labor market. Questionnaires were developed based on the knowledge gained from past studies conducted by international and local researches, institutes and applied only the most suitable variables for the Sri Lankan context. When preparing the questions the study was careful of the level of understanding and the convenience of answering of the respondents due to various levels of employee categories was represented by the randomly selected sample. The questionnaires included short answer questions with 5 point likert's scale ranged from 1 (Strongly Disagree) to 5 (Strongly Agree). The questionnaires were given to 10 respondents who were attached with the study objective, for evaluate under the pilot test stage. Mainly it was done to mitigate uncertainties and maintain the consistency relates to the study. Only few items were adjusted accordingly. Descriptive statistics were used to organize, summarize and describe the collected data. In addition Cronbach's Alpha was used for assessing the reliability of the questionnaire scored with a Likert-type scale.

3. RESULT AND DISCUSSION

The purpose of the descriptive analysis is to clarify the basic features of the employees in the sample, broken down by Gender, Age, Employment category, Age at the first permanent appointment and Medium of Education. As the initial step, the researcher has used a descriptive analysis, in order to obtain an overall image of the sample.

Table- 1 Profile of Respondents

Variable	Frequency
Gender Male	42
Female	33
Age Less than 30	36
31-40	24
41-50	10
51-60	05
More than 60	-
Sector Public	31
Private	44
Age at the first permanent appointment	
Less than 20	01
21-25	27
26-30	47
31-35	-
More than 35	-
Medium of Education	
Sinhala	14
Tamil	-
English	21
Sinhala and English	37
English and Tamil	03
Other	-

Survey 2013/ 2014

As the study mentioned in methodology, the total number of 75 respondents was selected to carry out the study. The purpose of the descriptive analysis is to clarify the basic features of the employees. As per the table, majority of the sample was represented by male employees and remain 33 of employees in female category. According to the survey findings, majority of the randomly selected respondents were in the age group of less than 30 and it is 48 per cent out of the total sample. As the figure 01, shows 58.67 per cent of respondents were in private sector most of them had been permanent in their positions at the age group 26-30.

Table - 2 Bachelor Degree Stream by Gender

Discipline	Male Frequency	Female Frequency
Social Sciences	06	08
Humanities	05	05
Management	15	10
Business Administration/ HR	02	05
Marketing Management	07	02
Accountancy	04	03
Finance	02	-
Economics	-	-
Other	-	-
Science	10	07
Other	06	03
Total	42	33

Source: Survey 2013/2014

The stream of bachelor education what was acquired by the respondent took a big importance in this study. Even though the education stream is relevant or irrelevant, the practice and experiences what a graduate can earn through university education is crucial in job market. In that sense, much more aware was given to the stream of these graduates by the study. The summary of the data is shown in above table 2.

Reliability analysis allows the researcher to determine the extent to which a scale produces consistent results. In order to find out the scale reliability of the questionnaire the total number of 27 variables was used including 04 questions on relevancy and 23 basic questions on measuring applicability with employment. The overall reliability is given in the Table 03.

Table - 3: Overall Reliability Statistics

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.790	.795	27

The reliability of the questionnaire was tested by using Cronbach's Alpha and result was presented as indicated above. According to the rules of thumb provided by George and Mallery (2003), > .7 value of Cronbach's Alpha specify the reliability of the given questionnaire. The Cronbach's value of the study is found as .790 and it realized the acceptability of the questionnaire.

In order to reach the study objectives, the relevancy of employees' knowledge in job profile was tested through statement questions. As per the answers study identified four areas as mentioned in the Figure 04. According to the Figure 04, only 18.6 per cent of employees are employed in job areas what they have done in their graduate studies. Majority (36 per cent) of respondents mentioned that they education background is slightly different from their employment. However in this stage, it was explored that even though the stream of degree program is different by its name, some of common sections/ basics are included in the content (Calculations, Economics, Management theories, Project Planning etc.).
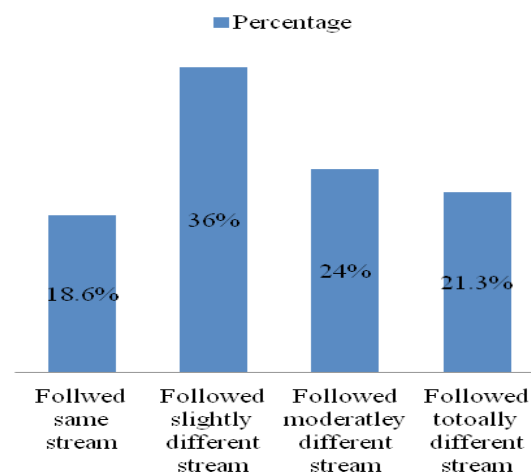

Fig 1: Relevancy of Graduate Studie
Source: Survey 2013/2014

According to the fig. 1, study further analyzed that more than 80 per cent of the sample employed in separate working categories which is not directly link with their graduate studies. As respondents' comments, this was happened due to lack of opportunities, huge commotion

and not attractive remuneration in exactly matching job area. Since the job interest is rather different from actual situation in labor market, employees (respondents) have decided to find whatever interesting for them. Especially they have paid a big attention on remuneration packages and the working culture.

Applicability of graduate studies in job role was tested through six areas by the categorization of education stream and each section carried three/ four questions to understand their levels of agreement. This was applied to 5 point scale which ranked between very low to very high.
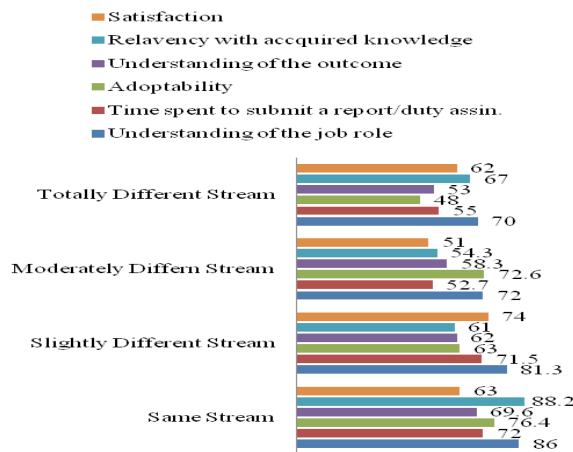

Fig. 2: Applicability of graduate studies in job role (Within the first six months of the appointment) Source: Survey 2013/2014

The outcome is given in fig. 2 As per the above figure, highest satisfaction level with their employment is represented (74 per cent) by the employees from slightly different stream and the job satisfaction of employees from same stream is rated as 63 per cent.

Even though the employees in totally different stream category hadn't the study background their job satisfaction is high as close to the employees represent the same stream. As per the figure, 'understanding of the duty outcome, adoptability and time spent to complete their duties' of the employee categories represent by totally different stream is quite low compared to other categories. Nevertheless 'Understanding of the job role' of the employees from all categories presents an averagely equal value varies in between 70 per cent – 86 per cent. Consequently the summarized outcome of the figure shows that by some areas the applicability of graduate studies does not tally with the job role, there is a considerable possibility and probability of them to carry out their duties with the knowledge whatever they have obtained from graduate studies.

4 CONCLUSION

As per the study investigated, due to the lack of job opportunities in most applicable field, low job interest, less attractiveness in remuneration and allowances, lack of opportunities to upgrade in career path, internal domination in requirements and promotions; so many graduates are tempted to change their employment when they enter to the job market. Majority of employees (more than 80 per cent) from different streams were selected for several positions which were not directly applicable with their acquired educational qualifications but had been selected through open exams and interviews. However most of them have made prudent decisions to start their further studies relevant to their job role but not according to their graduate studies. Even if the situation seems favorable for employees who are working in separate areas which is not applicable with their graduate study job objectives, there is a massive problem with time and money they have spent on graduate education. Though some people have been able to find an employment somehow, even in a separate field, ultimately the problem underemployment and job dissatisfaction arise. As a country which implements the free education policy for all children up to the university level since 1945, the system should be more effective and efficient than this. In addition to the considerable effort being made by the universities to develop academic qualifications, attention also needs to be paid to other issues that have a greater impact on graduate labour market outcomes and job quality. Very specifically, this concerns the selection of subjects.

In its natural value, labor controls its importance in the economy continuously. It is simply known that labor market is an interaction junction where labor demand and supply meets. Education is a foremost factor which influence to the supply of labor. In order to maintain the consistency and the sustainability of labor market behavior, demand and supply of the labor market should be at the equilibrium with low influences and contradictions by external parties. Simply the mismatches due to inapplicability should be minimized thereby the demand will focus on the supply as well the supply also will behave according to the demand. Eventually students will be able to follow their education streams by targeting its inherent job requirement without bearing a risk of moving one to another. It is therefore more attention should pay to the subjects/ streams with employment requirements that produce competent professionals rather than encouraging competence-based learning.

The study thus recommends that Sri Lankan universities should much more consider on labor market changes and they should be able to anticipate future prospects of labor market based on past and existing patterns. This can be achieved by placing greater emphasis on practical work and real life situation more than implementing theories and typical educational policies.

Limitation of the Study

This study considering the sample only from Western province this may be a limitation in order to generalization of the conclusion of the study.

There is an inability of capture the entire employees' prospect by studying only few 75 from labor market.

The accuracy of primary data especially some information can depend on personal attitudes, favors and their background.

The study used only most common factors to assess applicability of graduate studies and job role and some factors have to be omitted.

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