

Enhancing the Employability of Business School graduates¹

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Distinguished Delegates, Faculty Members, and Dear Students, it is always a great pleasure to be back in IBA Sukkur, I have been coming here for last so many years and have seen the great achievements and progress the way this institution has made and I hope that it continue to do so. I also want to congratulate them on new accreditation by AACSB which is a great achievement for a public sector university and I hope this is the beginning of a new journey which the IBA Sukkur Faculty and Students will embark to improve the quality of the instruction much better.

Since my retirement from Government in 2018, I have been going around the country right from Gilgit Baltistan all the way to Balochistan, visiting various universities, meeting business and Industry organizations , and government officials . Besides delivering lectures I have also been interacting with the intellectuals and public thought leaders. I have come to the conclusion that there is a disconnect between what the industry requires for their workforce and what our academic institutions are producing. Let me give you some numbers and these are general numbers, and not just the business graduates. As my topic is for business graduates this has to be placed in the context of overall education system of Pakistan.

In a survey of the HR Managers , 92 percent responded that the students we were employing today were not equipped for role-specific technical skills, 78 percent did not possess digital skills and 71 percent of them lacked communication skills. When the students were surveyed they responded that the pedagogical tools and the assessment system place lot of emphasis on completing the curriculum and getting the grades and getting the certifications or the degree and credentials, not much on the acquisitions, assimilation and retention of either the content, the knowledge or any exposure to the real world problems. So this is the disconnect about which I am quite concerned . We are living in a very uncertain world both globally as well as nationally and this uncertainty is not going to disappear. So my entire focus today is given this uncertainty what students should be doing, what the faculty members should be doing, what the accrediting agencies and HEC should be doing

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and what should the government be doing in order to enhance the employability of our students particularly in the business schools.

Let me begin first by recapitulating in form of bullet points as to what those global mega trends are . Unlike the 1990s and 2000s and up to 2020 we, particularly the developing countries, all benefitted from globalization as it contributed to significant reduction in poverty and thus improvement in our living standards. This is no longer going to be the case in the coming decades because there is a movement towards nationalism, protectionism and parochialism away from globalization. This movement picked up forces when Trump was elected President of the USA in 2016 on the strength of Make America Great Again, distancing from its European allies in NATO, building tariff barriers and export bans particularly on Chinese imports , pursuing a strong anti immigration policy, weakening WTO .It may be pertinent to point out that the US was the main proponent , leader and advocate of globalization before 2016. . In Europe the Italians have elected an extreme right wing Prime minister and in many countries the extreme nationalist parties in favour of banning immigration from the Third world countries and some against European Union and NATO , disrupting energy trade with Russia and becoming too cautious in their historical trade and investment relationship with China are gaining ascendancy. So we can see that the environment internationally is not going to be very conducive for you—the students..

Secondly we have a big challenge of the climate change, Environmental degradation and air pollution . We have already seen that in the case of Pakistan the devastating floods which caused losses of lives, property and economic loss of \$32 billion. Now if you read the newspapers the glaciers in Karakorum range today, are without snow that there may be shortage of water during the “Rabi” cropping season. Hydro power electricity generation may be below the norm. So this slowing down of glacier melting will have an adverse effect on the food , water energy availability.

The third mega trend is that technology is moving at a pace and in a direction that we do not know much about. . There is a lot of debate about artificial intelligence and machine learning and there are people who say CHAT-GPT is something that we should use for the improvement in productivity , efficiency and eventually the living standards. There are others who say Artificial Intelligence AI poses more risks

and may prove devastating for employment and for human beings in general. There are apprehensions that students will not use their minds and will plagiarize and cheat on their essays and their assignments by using the CHAT GPT. So that is a threat which can be mitigated if efforts are made to utilize it in form of , AI tutors, Agriculture (agri-tech), Financial Inclusion (Fintech) and in telehealth. That will be positive use of AI technology.

The fourth trend is Demographic changes. If you look at countries like Japan and Korea, and soon Germany, their fertility growth rate is negative. They are now looking for workforce outside their borders. Japan and Korea used to be ethnically pure countries which never received foreign workers. But now they have been forced to open up their borders while countries such as Pakistan have youth bulge . We should train and equip young people with the kind of skills which are required by these countries and by doing so we can meet their needs but at the same time ease the problem of the employment in the country. This trend of growing demand from advanced countries with ageing population is not going away and is likely to rise over time.

Finally we have a problem of Geopolitics because the US is losing its hegemony that was acquired after the dissolution of Soviet Union . China has now become a major power. So there is a tussle between the US and China and Pakistan is also going to be affected. There are many other trends, but I just wanted you to think about these few mega trends because they are going to affect you.

Nationally we have more political polarization today than ever before. , there is more tension among various political parties and they are not coming together and sitting around the table to find the solutions to the socio-economic problems of this country. Whether this situation is going to improve or not, I am not sure, but we have to recognize that this has serious ramifications for making tough political decisions to set the economy in the right direction.

Despite the above uncertainties you have to go ahead and lead your lives. So what should you do about it? The word “ Career” has become redundant. The relevant word today is “employability” and employability means you have to keep yourself upskilling, reskilling , retooling and learning continuously throughout your life. Why is it so? The answer is: the jobs which existed 10 are disappearing very rapidly and the new jobs which are going to be created 10 years from now are not yet known.

So how do you train yourself now for the jobs whose contents, contours, specifications and requirements you are not aware of. So it depends on how well you acquire skills in demand and keep on updating yourself and absorbing new knowledge. It is not only knowledge (which keeps on changing) but also acquisition of skills that would help apply that knowledge to solve real world problems. .

Let me sincerely advise you to forget the mantra to which all of you are all used to. So What is that mantra you follow today. “I must have a CGPA of 3.5 and more, I should be choosing easy to pass subjects , I should be solving the selected questions that have appeared in the past exams, and I should memorize the notes dictated by the teacher and reproduce them at the examinations”. By doing so, you are doing a great disservice to yourselves and hurting your future prospects. While in class you must have the courage to question your teachers, seek clarifications, engage in conversation about the content and only once you are convinced that this is the indeed right approach you accept it. The best way of learning is asking questions. I have observed some teachers who discourage their challenging students and threaten them with dire consequences . As a result those who were daring enough to ask questions get scared and retreat. That’s not how learning ought to take place. You have to be curious, creative , critical and analytical in your thinking and not simply memorizing the stuff given in the books and class notes.

What actually will attract your employers is “are you able to make useful contribution to the bottom-line of that company”. They are not interested in your GPAs and your degrees . What do they require? The three sets of skills which they require based on the survey I mentioned earlier. There are three set of skills you must strive to acquire and practice.

The first skill required by employer is your technical and functional skill. If you are a finance major, are you able enough to get into computational finance or not because that is what going to drive the Finance discipline in the future. Are you able to use big data? Data analytics? To find solutions to the problems faced by the employer? If you are a major in marketing, are you good enough in digital marketing? You don’t have now to write copies for your advertisers because these can now be produced digitally. If you are in the field of HR, it is just not recruitment and retention but also you have to make sure that there continuous learning and

professional development opportunities for an individual throughout his or her tenure. You must also be able to distinguish between those who have potential for future jobs and these can be actually given opportunities to become part of decision making process of the company. So it is a differentiated approach in HR--- -not a set of uniform standard processes and procedures, no more “one shoe fits all” approach..

The second set of skills employers require are Social Skills. What are these social skills? To begin with, you must know how to work in a team and collaborate to produce results. I used to tell my graduating students of IBA that it doesn't matter what grades you have scored but what matters is your attitude, If you are arrogant and look down upon all your colleagues simply because you have scored better grades than them , please forget they would cooperate with you on the job. As a consequence, the desired results would not be forthcoming and the tasks assigned to your team not delivered on time or with accuracy. Do you think the employer would have any use for you even if you are brilliant and topper in the class. . It is your attitude, work ethic, spirit of working together , producing results that would make you useful. .

The other important social skill is Communication. You should be able to communicate well, both orally as well as in writing. I had setup a center for writing at IBA so that the students could improve their ability to write concisely and clearly. Because you will be constantly asked to communicate within and outside the company by writing reports, proposals and making oral presentations to pitch your ideas to the investors and Boards you must work hard on improving both written as well as oral communication skills . In this age of social media you have to use these media to reach out your clients and stakeholders. You may have updated domain knowledge but if you are not to convey that to others effectively then it is of no use.

For the future Adaptability is going to be critical.. As external circumstances change, market conditions are disrupted , Old business models would no longer work . You do not want to remain stuck and wedded with old ideas and propositions. .Look at the broader picture and emerging trends not only in your own industry and sector but more broadly. Highly successful companies of their time -- Nokia, Blackberry, Motorola, Kodak of this world vanished from the scene because they

suffered from hubris and failed to not recognize and grasp the new emerging opportunities in front of them. .

The third set required by the employers is the digital skills. Please do not feel contented simply because you know how to use MS Office, Word, Excel, emails, e messaging ,Power point presentations mobile banking etc. Technology has to be used in order to bring efficiency and cost effectiveness in whatever your professional job is. That is what the technology and the digital skills are. The user must know the most beneficial use of automation, computerization and digitization in their own professions in finding solutions to the problems confronted by the companies or organizations or even those self employed. Familiarity with AI, Large Machine Learning, Data analytics, Cloud Computing, Internet of Things, 3D manufacturing, Genomics etc would help if you pick up the threads and build upon this foundation. . .

Having addressed the students, I now turn to the teachers. The role you have to play for coping with the future challenges is that of mentor, coach, facilitator, guide to the students. Following the text books and curricula should no longer be your main responsibility but it ought to be engaging the students in the process of deepening, broadening and enriching their knowledge and skills. There is a compelling reason for having a different mode of the pedagogical tools i.e. a flip class. Give the students readings, problems and assignments which they bring back to the class room for discussing with their class fellows presenting different perspectives, and exploring alternative means of identifying the best options .That can be done today because everything is wired. The assessment methods would be multifaceted. , e.g. whether the students come prepared , fully participate in the class discussion . The quality of their assignments , term papers, projects would be the supplemental data points . Please evaluate them on the basis of their understanding of the material, on their contribution, on their creativity and on their originality not on their conformity. You should share your recent research, consultancy experience and case study publications in the class. Teachers who work in the industry, and those have hands on experience and work as visiting faculty members attract greater attention of the students because their knowledge is more insightful and practical . How can the young academics who are back fresh with PhD degrees become useful? You have opt to act as faculty supervisor with the Executive of the company to which students have been assigned for

Experiential learning Projects (ELP) . Faculty supervisors gain first hand knowledge of the operations of the company. These ELP projects have proved useful as the company gets to tackle a problem it was facing while observing the traits of the students over an extended period of time to make assessment for possible recruitment. The students are able to apply their theoretical and conceptual knowledge to industry problems and the young faculty gain practical insights which they can use in their class room teaching. I recommend that Business Schools should introduce these ELP projects for at least the undergraduate students.

My next target audience is Higher Education Commission (HEC) and Accreditation Councils such as NBEAC. The current incentive structure for promotion and career advancement is highly distorted and heavily skewed in favour of research publications in peer reviewed Impact factor journals. These journals are becoming too specialized that hardly only a few dozens of researchers are able to follow . Promotion and monetary benefits are linked to the number of publications in these journals. But if you are a researcher and you have contributed to improving the management practices of a company, and added value you are not recognized. So, the incentive structure has to be shifted from sole reliance on publications in the peer reviewed journals to a mix that also gives weight to teaching as well as contributing towards resolving socio economic issues of the country..

Finally for the government , my message that I have articulated many times publicly and privately is that in order to expand the number of science, technology, engineering, and mathematics (STEM) graduates we have to make a beginning at the school level by teaching Science and Maths as compulsory subjects. At the college level trained teachers employed and laboratories fully equipped. Higher allocations should be made to the Universities actively involved in research and producing STEM graduates . There is a shortage of science and mathematics teachers all over the country and we are not producing science graduates f in adequate numbers especially the females. The female teachers are found to be much more committed and take their jobs seriously . Full stipends to cover tuition fees and living expenses should be provided to female students enrolled in these subjects at college or University level . India has more than 2 million such graduates while we do only a few thousand. A country's future competitive advantage would lie in its competencies in technology. We need to spend at least 1 percent of GDP on Research and Development .At present , 95% of the budgets of universities and

other research institutions goes to salaries so how would their students carry out experiments? . We should be sending our scholars for pursuing their PhDs in these subjects to the best universities in the advanced countries like USA, UK, Germany, and Australia. Our students under various foreign scholarship schemes are placed in second tier or third ranked tier universities on scholarship and that is not what would take us forth. Most of the PhD scholars who are doing PhD in Engineering, Science and Maths in the top universities in the US are Chinese, Japanese, Vietnamese, Indians and we can hardly find a Pakistani in these departments. The foreign scholarship programs financed by our own resources or by the donor agencies should have a list of eligible subjects and tier 1 departments in STEM subjects for which the scholarships can be availed.

. I started my education in chemistry and at Sindh University we had faculty members with doctorate from top universities and the latest equipment in our labs. If we could do it then there is no reason as to why we cannot do it now.

We have to setup sciences parks, sciences museums that encourage interaction between younger students and the objects of their interest . I went to the Dawood Science Museum in Karachi , saw young students playing around the objects that helped them grasp and understand the concepts of physics and biology and they were very having fun and enjoying themselves while playing with these objects. There was no sign of stress which I notice when I visit Maths and Science classes in schools. ..

There is another area where we are lagging behind . We cannot have 31% of our bachelor graduates unemployed while in technical and vocational training there is 1% enrollment. While there is a rising demand for these skills in the Middle East and these jobs offer lucrative remuneration. Every young person does not have to go for higher education. The majority of them , after or even before completing high school, should be encouraged to opt for Technical and Vocational Education and Training. The highest category in employment would always remain Self Employed. These technicians , electricians, plumbers, HVAC installers, paramedics, nurses, mechanics etc. can set up their own shops as there is rising demand for these skills.. Half hearted efforts have been made to setup apprenticeship programs but with little success. If you go to Germany, they have very strong

apprenticeship programs and this is something which NAVTEC/TEVTAs can organize in Pakistan.

To conclude, it would require the joint efforts of the students, of the faculty, of the HEC and Accreditation agencies and the government to enhance the employability of our youth and particularly Business graduates. The journey ahead is arduous but we have to move from Talking mode to Doing Mode. It is better to make a modest beginning and take the first steps to march in that direction.

Thank you very much. I hope that you have a successful conference.