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Unemployment graduates as an issue: a case of Management Faculties in Sri Lanka

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Abstract

Higher education is a golden opportunity to the Sri Lankan youth as the admission to the university is highly competitive based examination at national level and getting admissions as well as completion of degrees are very challenges. The contribution of the university to the preparation of employable graduates is criticized by different stakeholders. Hence the objective of study is to explore the status of the graduates of the management faculties in the public Universities in Sri Lanka. Data were collected via semi structured interviews with senior faculty staff of the universities, prospective employers, UGC and Ministry of Higher education. The finding of the study is, public Universities in Sri Lanka are unable to produce employable graduates to match with the requirements of the industry, particularly the expected Knowledge, skills, and attitudes. Therefore changes are urgently needed to survive in the competitive environment.

Keywords: University, employable graduates, and industrial linkages

Introduction

Higher education has long been recognized as a major contributing factor to the social, cultural and intellectual life of society by improving the quality of human life (Shetty, 2010). Even though Sri Lankan Universities also are expected in the same view its services are questioned in all intellectual's mind. Higher education is a golden opportunity to the Sri Lankan youth as the admission to the university is highly competitive based examination at national level which is conducted annually by the Department of Examinations. According to the statistic (UGC, 2012), only 2-3% of the students who enrolled to grade 1, is admitted

to the universities. Competition and examination oriented education starts from the childhood and continue up to the university education. Prospective students have been selected based on the performance at the G.C.E (Advance Level) Examination. Number of places available in universities in Sri Lanka for undergraduate education, in term of population is very much below that compared with other developed counties (Siyambalapitiya, 2000). The selection procedures of universities have become very competitive due to the limited places available in the public universities. The number of public universities increased from 8 in 1980 to 15 by 2005. However, this number has remained since 2005 eligibility for the university admission gradually increased (UGC, 2011) which in itself shows that it is has not been possible to significantly raise admission into universities due to space and resource constraints. However, the number of students admitted as a percentage of eligible candidates further declined to 15.5 percent in the academic year 2011/12. The Gross Enrolment Rate (GER), for universities records a slow growth from 3.5 percent in 2007 to 4.6 percent in 2011. Increasing intake has been a continuing challenge for all public universities.

The Sri Lankan education is free of charge from grade one to undergraduate level. The University admission for undergraduate is highly controlled by the University Grants Commission (UGC). Currently, there are 14 conventional universities and three campuses, one Open University. All these Universities and other degree awarding Institutions function under the purview of the UGC. The University Grants Commission is the apex body of the University System in Sri Lanka which was established on 22nd December 1978 under the Universities Act

No. 16 of 1978. The functions of the UGC are; planning and coordination of university education, allocation of funds to Higher Educational Institutions (HEIs), maintenance of academic standards, regulation of the administration of HEIs and regulation of admission of students to HEIs (University Act 1978).

Knowledge hub is one of the main strategies of the Mahinda Chintana which focus the development of the country and the vision of the country in year 2020 towards in higher education will be knowledge hub for Asia. The vision of Ministry of higher Education is “to be International hub of excellence in higher education by 2020” (Strategic Management Plan, 2012). Education comes under Services which give about 60% to the GDP of the Country. According to the World Bank (2011), Sri Lanka records the lowest public investment in education among all middle income countries in the world, amounting to a mere 1.9 per cent of GDP, while even governments of advanced middle income countries spend 4.6 per cent of GDP on education on average. Capital expenditure on education by the Sri Lankan Government was estimated to reduce by 12 percent in 2012. Such trends could put long term social development into jeopardy (Verite Research, 2011).

University admission for the management faculty started with 50 students in the academic year 1967/68, it grows 384, 858, 1301,2251, and 4000 for the academic years of

1985/86, 1995/96 2002/03, 2005/06 and 2011/12. Further it was proposed to increase by double in the next academic years (Admission Branch, UGC). According to the above data, the problems of Management Faculties in Sri Lanka are going to be grave in the future.

Academic Year	No. of Students Admitted		No. of Students Passed out	
	Management	Total	Management	Total
2006/07	2752	16925	1586	11250
2007/08	3399	19763	1752	11178
2008/09	4065	21030	2770	13093
2009/10	4271	21730	2651	12346
2010/11	4382	21815	2791	15935

Table 1: Students admission and output for Faculties in Sri Lankan Public Universities

Source: University Statistics 2009 and 2011. Another important aspect of Sri Lankan higher education is the growing differences between students enrolled and graduation.

As shown in above table, there is a significant different between students admission and the students graduation. This situation is high in management faculties compared with other faculties. 2752 students were admitted in academic year 2006/07 which almost doubled in academic year 2010/11. Though the number of students graduated increased during same period by 76 %.

This low level of graduation reported in management faculties certainly disturbs as Panandiker (1991) pointed out that knowledge and knowledge creation will be far more central to the management education of the future rather than technology. Focusing management faculties in this circumstance is very vital. This fundamental transformation of management education is both inevitable and necessary because the present consumption patterns of mankind can only take us. The management education in Sri Lanka was established in early 1960s. In addition with the old major schemes of Arts and Science, Commerce stream was commenced in 1965 in few leading national schools in Sri Lanka. 570 students were applied for G.C.E (A/L) examination which was 1.8% of the total students who applied for the examination in the year (U.G.C Statistic 1966). The first batches of 50 students were admitted to the university which is the 1.5% of the total students for Academic year 1966/67. It trends has grown gradually 800, 2000, 4357 and 4330 students were admitted for the academic year 1981/82, 1997/98, 2007/08 and 2010/11 respectively which is approximately 20% (4500) of the total admitted students per year. Total graduates output is 2750 in average in Academic years 2009/10 and 2010/11 per year by 12 public Universities in Sri Lanka which produce Management and Commerce graduates (University Statistics, 2011).

Management and Commerce graduates were not adequately recognised as a distinct

profession based on disciplinary education and training (Nanayankkara, 1998), this situation creates a big gap between University's output and the job market expectations in Sri Lanka. Total academic staff in Sri Lanka is 4513 out of 513 staff only teaching management related subject in which only 20 staff are professors. (University Statistics, 2011). Therefore, teaching faculties in Commerce and Management is 11% of the total faculties in Sri Lankan Public Universities and the staff facilities are not also improved.

Justification

The present university system in Sri Lanka has been subject to continuous criticism (Hanson T, 2012 and Nawaratne, 2012) and these criticisms are levelled against its failure to fulfill the expectation of stakeholders of the universities (Tharmaseelan, 2007; Government of Sri Lanka, 2003). The main objective of every higher education institution is to produce citizens who have extraordinary talent to transform the challenges into successes with human values. Since the Universities have to perform multiple roles, like creating new knowledge, acquiring new capabilities and producing an intelligent human resource pool, through challenging teaching, research and extension activities so as to balance both the need and the demand. In these phenomena, investment on human is paramount. Hence, an investment on higher education leads to better quality of life of the people.

Universities are expected to produce employable graduates which will make impacts on economic development of the country. Parents and the students are expecting from the University to make them or their children to suite for labour market to get respective job.

Methods and materials

The study focused the status of the Sri Lankan public university in particular faculty of Management studies and Commerce. The primary data were collected through semi structured interviews with selected senior academic staff by using purposive sampling methods from the university and informal discussions with Secretaries of UGC and Ministry of Higher Education and data

collected through the observation during in the focal group discussion with industrial people in Sri Lanka.

Finding and Discussions

This problem is common in all faculties. Mostly this is more in Faculties of Arts and Humanities and Management studies. The ministry of higher education and the UGC has already taken several steps to overcome these problem particularly unemployed graduates for faculties of Arts by introducing English languages, and ICT. In case of Management faculties, all undergraduates' programmes are thought by English medium and curriculums are ICT incorporated at the same time organisations are making job advertisement (Weekly 6000 to 7000 vacancies) but unemployment among management graduates are 40% which is second higher employment faculties. Why is it more?

The traditional methods of assessing educational quality, namely measuring levels of inputs such as expenditures per student, number of library volumes, number of Academic staff and forth, are viewed now as inadequate. To maintain quality and increase accountability, Universities have been forced to develop alternative evaluation procedures centered in outcomes (McCoy, Chamberlain, & Seay, 1994). One of the main outcomes is the quality of graduates' integration into job market (Gallifa, 2009). The main aim of the graduates is to get the right job, but in case of Sri Lankan graduates, this became an impossible to achieve their career goals. According to the survey was conducted by the Ministry of higher education (2012) among the graduates who participated to the convocation from their respective universities. The average overall employability ratio of the universities in Sri Lanka is 54% (Nawaratne, 2012). Therefore, the unemployment and under employment rate is 46% which means half of the graduates who passed out from public universities are not suitable to the requirements of the employers in the country.

The main aim of the graduates is to get the right job, but most of Sri Lankan graduates, hard to achieve their career goals. Unemployed, under employed graduates and

their problems in Sri Lanka is not new to Sri Lanka which remains from 1959/60 academic year (Wijesundera, 2011). The average overall un-employability ratio of the universities in Sri Lanka is 54% (Nawaratne, 2012). According to this, more than half of the graduates who passed out from local public universities are not suitable to the requirements of the employers in the country. There is mismatch between supply and demand conditions for graduate employment in Sri Lanka reflects a supply driven higher education system with little relevance to prospective employers in the private sector, which has shut off appropriate employment opportunities for a substantial number of graduates (Central Bank of Sri Lanka, 2003; Ranasinghe, 1992). Further, the NSF of Sri Lanka (NSF, n.d.) identified one of the obstacles faced by science and technology graduates who were in temporary employment and failed to obtain suitable permanent employment.

Table 2: Unemployment status of graduates in Sri Lanka

No.	Faculties	Unemployment Rate
01	Faculties of Agriculture	30%
02	Faculties of Arts and Culture	76%
03	Faculties of Engineering	07%
04	Faculties of Management	40%
05	Faculties of Medicine	10%
06	Faculties of Science	30%
	Overall	54%

Sources: Nawaratne, 2012

According, the Table 2, Faculty of Arts and Social science and Faculty of Management are higher rate of unemployment in the country-76% and 40% in Faculties of Arts and Cultures and Faculties of Management.

The reasons for the unemployed graduates are perceived by academics and employers. While the academics are dissatisfaction about the status of the graduates, the employers also are dissatisfaction towards the quality of the graduates of the Management Faculty. Both parties are having same perceptions about the attributes of the graduates such as lack of communication skills, lack of language skills, lack of practicality, negative attitudes, dependents

on others, and not updated current knowledge. At the same time, employers are feeling that graduates are more theoretical person and not in practical skills. Generally observed attributes among the graduates of the Management faculties by academics as well as employers are lack of practicality, risk taking, innovation and creativity, etc., which are summarized in the following table.

Table 3: Attributes of Academics and the employers

Attributes	Academics' views	Employers' Views
Knowledge	Good	Good
Knowledge in Practicality Creativity and Innovation Critical thinking Ability to understand the work environment What we learned in the class room is how to apply in business context	Unsatisfactory	Unsatisfactory
Skills (Soft skills and hard Skills)	Moderate	Unsatisfactory
Communication skills Language skills Information technology Leadership Interviewee Skills Analytical skills Confidence Risk taking Ability to change Decision making and problem solving Facing changes Team work		
Foundation skill: a positive approach (Attitudes)	Unsatisfactory	Unsatisfactory
Being practical Ability to adopt Unwilling to accept Face to change Dependency		

Source: Interviewee data

Therefore, the present higher education system in Sri Lanka is highly criticized with the dissatisfaction by the stakeholders of the

Universities. Sri Lanka's educational and higher educational system needs an urgent change according to the demand. Opportunities and demands for expansion are growing exponentially, yet the challenges are unprecedented. An economy growing at over nine percent per annum requires a paradigm shift in education where knowledge based career becomes essential (Hirimburegama,2013).Particularly, regarding the graduates of the universities are not qualified with requirements of the employers needs. Many employers are not satisfied with the competencies and skills of graduates. Curricula in many disciplines are not in tune with broader economic and social needs. (Government of Sri Lanka, 2003).

Over the years, several explanations have been proposed for high unemployment in Sri Lanka. One of the most influential is the "skills mismatch", first articulated by the International Labour Organisation (Seers, 1971). According to this, the Sri Lankan education system produces skills that are not valued by employers, while raising the expectations of those who acquire them. As a result, the unemployed are not interested by the existing vacancies, where as the employers are not willing to fill them with the available candidates.

Unemployed graduates are burden not only to the parents but also to the government. They are strong voices against existing tertiary education system from various bases, Intellectuals, experts and practitioners always criticize the system and the quality of graduates produced by the universities (Tharmaseelan, 2007). Changing the nature of the world, mass exodus of highly qualified people from Sri Lanka and their unemployment and underemployment problems in the countries where struggle for promoting their careers and increasing intensity of globalization have shown warning signals to the existing education system and its output to the world.

University education has been provided for a significantly larger number with very little increase in the total resources diverted to it, thereby reducing its quality to a great extent. Graduates are unable to secure employment in the private sector mainly due to the mismatch between the skills of the Social Science graduates and the needs of the

private sector which has expanded during the past decades (Business and financial news,2011).

Apart from national economic issues, there are a number of causes which have been identified as contributory factors to the origin and development of graduate unemployment. Of these an ad hoc expansion of the universities and student population, the nature of the courses, and quality of the graduates is noteworthy (Business and financial news,2011).

One of the main criticisms aimed at university education including the Central Bank Report of Sri Lanka for 2009 is that higher education is of "low quality and low standards and that 32 percent of students admitted to public 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 labour market conditions and to entrepreneurial culture".

However, graduate unemployment is not purely a university problem but universities have a responsibility and accountability to extend all their support to solve the problem. A focal group discussion was conducted by the Ministry Chamber of Commerce in Sri Lanka in 1999 has mentioned that the following attributes are expected by the private sector employers from the graduates in addition to their academic qualifications. they are: ability for effective communication skills along with English; ability of interpersonal relationships, ability of leading a team and getting the results within a short time; ability of prioritization of work; initiation of work and intention of its development; open, proactive and pragmatic mind; computer literacy, ability of logical and rational thinking, general knowledge and personal hygiene, office and social etiquette. A change in curriculum enhancing relevance and quality is important and for that a flexible structure with continuous reviews and need based adoptability is the basic instruments. Institution Society links is lack in many cases in Sri Lanka. The mind sets of academic as well as industry should be changed to work collectively to establish a permanent links to realize the important of

the economic and human value of the graduates. The government also can take certain initiatives to merge the status of the university with the needs of the industry in Sri Lanka.

Conclusion

The university educational system in the public university has to be reoriented to meet the challenges of graduate to produce global graduates. The existing teaching and learning process should be changed to match the requirements of the industry. The university system needs to be restructured, concerned with quality and relevance, and introduce job oriented programmes to match with the local and global needs.

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