Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

Employability Enhancement of Business Graduates in China: Reacting upon Challenges of Globalization And Labour Market Demands¹

Guo Zhiwen

Hubei University Wuhan, Hubei, China

INTRODUCTION

Within the two decades following the reform and opening-up launched by the former Chinese leader Deng Xiaoping in the late seventies, the demand for higher education in China hugely exceeded its supply. During this period, only a limited number of high school students had the opportunity to enter college or university. Because of the big shortage of highly-educated people, due to the ten-year Culture Revolution (1966-1976), university graduates could easily find employment, and entering the university was considered to be a great honour to one's ancestors. However, notwithstanding the lack of highly educated employees, and the ease of finding a job, the graduates appeared to not be well prepared for the labour market.

The late nineties, however, stood for a change. The expansion of university recruitment, the competitive pressure from foreign counterparts, graduates' employment pressure, criticism from the labour market, and students' complaints, altogether, have been triggering reform and readjustment of the education system (Guo, 2004a). The Ministry of Education in close cooperation with higher

¹ This research has been partly funded by the China Scholarship Council (CSC) in Beijing (CSC No. 22842007), and by the Netherlands Organization for Scientific Research. Project number: 015.000.114).

Ano III – Número 4 - 2009

Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

educational institutions, has undertaken great efforts to implement change in order to adapt to these circumstances. In particular, business education, being the most common specialty in colleges and universities, caught a high amount of attention.

Nowadays, most educational institutions are trying to widen students' knowledge base by providing general business curricula during the first two years of education, and sub-specialty curricula during the following two years. Despite the immense efforts aimed at restructuring business education, and irrespective of China's social and economic reform in the past three decades, business education experts believe that most educational institutions lag behind the increasing need for managerial talents While there is an extreme shortage of qualified business managers, a more serious attention for the reform and change of business education is inevitable and required.

This contribution develops a review of business education in China, and analyzes the main challenges of globalization following China's entry into the WTO (World Trade Organization). After discussing contemporary challenges and their impact upon employment, we focus upon graduates' labour market-related problems, followed by a thorough conceptualization of the term 'employability', and current notions of career development. Subsequently, we will come up with an overview of frequently seen career ladders for business graduates. After that, the article examines a framework for business education reform aimed at graduates' employability enhancement. The article finishes with a conclusions and discussion section.

CONCERNS AND CHALLENGES FOR CURRENT BUSINESS EDUCATION

China's present higher education system was established in the early fifties and incorporated the deliberate intention of training higher-level students as effectively as possible for service in all sectors of the new socialist state and economic system (Duan, 2003). Since the reform and opening-up in the late seventies, almost every college or university has launched a faculty of business education in order to meet the need for rapid economic growth and managerial talents. Especially in this field, Chinese higher education strives to resemble the so-called advanced Western world (Willis, 2003).

Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

At present, nearly every college or university in China offers business education at undergraduate level, responding to the increasing huge demand for managerial talents. After nearly 30 years of efforts, Chinese business schools have implemented some new trends in business education (Liu, 2006; Wang, 1999). The first comprises a shift from academic orientation to a more professional orientation. Before the 1990s, business education was mainly academically-oriented emphasizing theoretical research. However, since the mid 1990s, Chinese business education has turned into a professionally-oriented discipline mainly focusing on practical management skills. Cases from local enterprise management and problem-solving projects have been edited and taught in business teaching. The second trend concerns the shift from general knowledge learning to competency development. The third shift pertains to the move from a rather technical orientation to a managerial focus. Traditionally, technical training and so-called 'hard' knowledge domains, such as operational research, were seen as the core ingredients of management science. In recent years, more and more people have realized that 'soft' management skills such as process management, just to mention an example, are crucial for sustainable management development. The fourth trend of business education refers to a shift from 'universal' (common) program design to an adaptive curriculum planning in the sense that management training programs are more and more tailor-made in order to fit specific needs of enterprise development.

Currently, we can distinguish four main concerns with regard to business education in China. The first concern comprises the indigenization of business education in China (Li and Van Baalen, 2007). As there was actually no business education in China before the Reform and Opening-up in the late 1970s, Chinese business schools used to employ Western business education models, textbooks and cases. The second concern pertains to the issue how to transfer business and management knowledge, and how to cultivate students' critical skills, instead of doctrine from textbooks only (Berrell, Wrathall, & Wright, 2001). The third concern refers to the question how to match students' skills and knowledge with the employers' demands. The latter directly refers to the employability (career potential) problem. Up to date, no employability literature pertaining to China can be found. As the concept of employability was introduced by Western researchers, attention for cross-validation of the literature in China is highly valued.

Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

Furthermore, Chinese business schools are facing the pressure to enhance their graduates' employability in order to safeguard their educational budgets provided by central and local governments.

As traditional career paths are disappearing and life-long employment is scarce, nowadays, business graduates' employability should be guided. A business graduate who wants to be successful in the labour market must be keen on developing his or her employability, that is, developing transferable skills like critical thinking, problem-solving, data handling, communication, team working, and so on, next to the so-called domain-specific knowledge (see Van der Heijden, 1998; Van der Heijde and Van der Heijden, 2006). Obtaining a diploma is not sufficient anymore. Rather, employability skills that are learned within a professional context are supposed to be key predictors of career success (McNair, 2003).

Since China's entry into the WTO in 2001, business education is facing more challenges than ever before. Firstly, globalization and internationalization of the labour market bring forward new requirements such as global thinking and cross-cultural communication skills. Secondly, multinational enterprises represented in China need globally thinking managers and employees who have the savvy to do business with foreign counterparts. Thirdly, foreign higher education institutions compete intensely for Chinese students which adds additional burden in comparison with the past.

With a continuous social and economic change, Chinese higher education has achieved a transition from elitist to mass higher education, with a gross enrolment ratio of 17% in 2003, compared with 1% in 1980, and 3.4% in 1990 (Jiang, 2004). Figure 1 shows this tremendous change in Chinese higher education from the late 1970s up to now. 14.7% of the total enrolment in 2000 was made up of undergraduates in business education, the highest percentage of all specialties (Zhao, 2003). Notwithstanding the enormous growth of this educational field, stakeholders have criticized the lack of teaching staff, as well as the outdated curricula, and neglect of students' skills and abilities. Students themselves complain about the teacher-centred and exam-oriented approach. Employers are dissatisfied with graduates' performance and criticize the fact that current graduates have high exam scores, yet low ability and transferable skills. To their opinion, many students do not even have a clear

Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

idea how to present themselves during job interviews (Zhang, 2004). For that reason, a considerable amount of multinationals and Chinese enterprises recruit professional managers from Hong Kong, or search for managers with an educational background from overseas.



Figure 1: From Elitist to Mass Higher Education (Source: Ministry of Education, China)

Note: *Enrolment* refers to the students' number that colleges and universities enrol in the particular year;

Students' number refers to the total number of students in colleges and universities; Graduates' number refers to the number of students who graduate from colleges and universities.

Given the fact that the policy of guaranteed job assignment has been abolished since 1997 (Plafker, 1997), many students experience difficulties in finding a job. However, most educators do not comply with this labour market change in their curriculum resulting in the following paradox: On the one hand, companies strongly demand business graduates, while, on the other hand, about 20% of

Ano III – Número 4 - 2009 Revista da RET

Rede de Estudos do Trabalho www.estudosdotrabalho.org

these graduates cannot find a job within six months after graduation (see Guo, 2004a for more elaborate thoughts on this paradox, its causes, and its effects).

A GRIM LABOR MARKET FOR UNIVERSITY GRADUATES

According to the report 'China's Employment Situation and Policies' (IOSC, 2004), the economically active population contributed 760.75 million, and the workforce participation rate was 76.2%. Despite a high annual economic growth rate of approximately 10% in the past two decades, China has been facing a strong pressure to provide jobs for the rural surplus workforce, and for laid-off workers from state-owned enterprises (SOEs), resulting from the reform and restructuring within the state sector. Moreover, the ageing of the working population has resulted in a prominent problem of unemployment, in particular for the lower-educated workers.

As far as the rural surplus workforce is concerned, it is important to stress that the reform and opening-up in the late 1970s started in small villages and towns. During those days, farmers were able to enjoy the benefits that were characterized by family-contracted land use that featured a high productivity. At the same time, the bulk of farmers were also employed in village enterprises that grew quickly in order to meet the increasing demand for consumer goods, thus taking advantage of the large pool of cheap rural labour. From the mid 1990s, however, crop price has dropped, the local government's tax imposition upon farmers has increased, village enterprises has downsized, and land loss owing to industrialization has taken place. As a result, most rural workers left their homes and land for the developed costal urban areas to make a better living. Estimates of the migrant population since 1990 vary, and range from 80 to 150 million (most of them are not permanent migrants, and often both employed as farmers and as urban workers (official reliable statistics are lacking).

Urban registered unemployment (farmers excluded) has risen since the mid 1990s owing to job losses in the state sector (especially in the Northeast former industrial base). The registered unemployment rate was relatively constant at around 2.5 to 3% in the 1990s, but rose to 4.3% by the end of 2003 (IOSC, 2004). Alternative measures predict an even higher unemployment rate for the

Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

coming years because of the effects of China's entry into the WTO and the changing economic structure.

For university graduates who previously would have been easily assigned to good jobs, the current labour market is grim. As more and more youngsters are able to enter colleges and universities, finding a suitable job after graduation has become a big concern. In 2003, 2.4 million college students graduated, an increase of 40% compared with the previous year (Zhang, 2004). Figure 2 shows the current employment rates of graduates within six months after graduation.

Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org



Figure 2: Employment rate within six months after graduation (Ministry of Education, China)

Note: Employment rate refers to the percentage of graduates who find jobs in the labour market. It is now a critical indicator to evaluate Higher Education Institutions' performance.

Competition is fierce (see also Brown and Lauder, 2001). Female graduates have a disadvantage compared with their male counterparts in most recruitment situations. Similarly, local residents have a higher chance to find employment due to the immobility-based residence system (called *Hukou* in Chinese), which is characterized by citizens' immobility between rural and urban areas, and among cities. Under this system, rural people are restricted from taking formal jobs in urban areas, and from enjoying urban welfare, such as public education. Similarly, urban citizens from small or less developed areas are restricted from accepting employment in other well-developed cities, while the labour force flow from big cities to small cities, and from cities to countries, is encouraged. *Hukou* is also reflected in the university recruitment system as the best ranked universities, like the ones in Beijing and Shanghai, provide privileges to locals. Moreover, the system continues to be reflected when graduates enter the labour market. Those graduates who originally have rural *Hukou* or small

Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

city *Hukou* have to pay for job offers from more developed cities or areas.

Some criticize the surplus of university graduates. However, at the same time, in terms of both the rate of college enrolment and the average years of schooling of the labour force, China still falls far behind the developed countries. In fact, almost all employers in China complain about the shortage of talent (see also Venter, 2003). Many employers state that it is extremely difficult for them to recruit high-quality graduates from business schools. Therefore, it appears that the problem is neither the surplus of graduates, nor otherwise stated, the shortage of jobs. The recruitment difficulties that affect many sectors appear to be mainly the result of a lack of employability, more specifically, a mismatch between graduates' capacities and labour market demands.

China's educational system manages to deliver a considerable number of college graduates every year, but what the market needs are talented, highly skilled individuals that can add value to firms. Graduates themselves might think they certainly are talented, which is consistent with the former criteria for talents as formulated in China's highly outdated planning system in 1982, which stated that anyone with educational attainment above technical secondary school or, with a primary professional title, can be regarded to be talented. The mismatch can also be concluded from the narrow employment view of graduates. Most students still highly evaluate and respect jobs in the state sector, permanent jobs, and employment in big cities such as Beijing and Shanghai. However, since the mid 1990s, the employment contribution has come mostly from the non-state sector, while state-owned enterprises have downsized in order to enhance their profitability and competitiveness (Brooks and Tao, 2003). The employment capability of big cities, governmental organizations, and foreign companies has neared saturation. This is why graduates are encouraged to look for jobs in the less developed 'Western' China and in small cities. In order to better understand how chances for employment may be increased we need a thorough conceptualization of employability.

THE CONCEPT OF EMPLOYABILITY

Until now, employability has not been a matter of high strategic importance to business

Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho

www.estudosdotrabalho.org

schools in China, although it should be as much an issue for higher educational institution, as it is for the labour market. Employability enhancement needs a close partnership between academic institutions, professionals within a certain expertise domain, and career specialists. In order to better understand and to meet the employability requirements for graduates, the concept needs to be further elaborated on.

Employability is a concept that is studied from different angles and defined on more than one level (society, industry, organization, and individual) (Versloot, Glaudé and Thijssen, 1998), and has acquired different meanings throughout time. However, there has been a lack of studies integrating the different perspectives adopted in employability research (Thijssen, 2000). Business and Management studies, Human Resource Management, Human Resource Development, Educational Science, and Career theory, are each exemplary for the use of the concept on different levels, and for the different meanings that are attributed to employability.

Definitions of employability on the *employee* level are abundant (De Grip, Van Loo and Sanders, 2004: Forrier and Sels, 2003; Fugate, Kinicki, & Ashforth, 2004; Harvey, 2001; Thijssen and Van der Heijden, 2003; Van Lammeren, 1999; Versloot, Glaudé, & Thijssen, 1998), each emphasizing a diversity of career aspects of (potential) employees, but all referring to employment as an outcome. Some examples of these career aspects are physical suitability (Gazier, 1990), cognitive suitability, (career) development (De Haan et al, 1994; Fugate, 2002; Sterns and Dorsett, 1994), learning, de-specialization (Bolweg and Maenhout, 1995; Hoeksema and Paauwe, 1996; Pearson, 1988; Thijssen, 1997), flexibility, adaptation to (fast) changes (Bolweg, 1997; Friedrichs, 2000), and mobility (both external and internal).

A recent effort to come up with a competence-based and multidimensional operationalization and measurement of employability from a career perspective was undertaken by Van der Heijde and Van der Heijden (2006), who have studied employees in their organizational context. They have defined employability as 'the continuous fulfilling, acquiring or creating of work through the optimal use of competences' (p. 453). The authors have developed a measurement instrument, in which

Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

occupational expertise (Van der Heijden, 2000) is complemented with four more transferable competencies. They have proposed the more following four generic dimensions: Anticipation and Optimization, Personal Flexibility, Corporate Sense, and Balance, as important distinguishing and complementing components of employability for individual employees. Anticipation and optimization, and Personal flexibility are flexibility dimensions, discernible as respectively, a self-initiating proactive variant, and a more passive adaptive variant. Corporate sense represents the needed increase for social competence. Finally, the dimension of Balance is added, taking into account all these different elements of employability that are sometimes hard to unite and that need fine-tuning (see Van der Heijde and Van der Heijden (2006) for elaborate discussions on the five distinguished components of employability).

Regarding the use of the employability concept in relation to business education graduates, its core notion pertains to the capability of students to gain initial employment, to maintain employment, and to obtain new employment if required (Hillage and Pollard, 1998). Indicators that are in line with this core notion pertain to characteristics like job types the graduate is able to fulfil, timing of getting a job, attributes on recruitment, further learning, and employability skills (Harvey, 2001). In the light of high chances of labour market success, Zhao (2003) refers to the importance of generic skills and attributes. Knight and Yorke (2003) provided a USEM theory to illustrate what ingredients make up employability. Their acronym stands for a profound *Understanding of subject knowledge, Skills* (subject-specific and generic), *Efficacy beliefs* (and self-theories), and Meta-cognition (including self-reflection). Holmes (2001) refers to the concept of graduate identity in order to indicate the importance of social self-positioning, and states that students should seek opportunities for enhancement of their capabilities in relationship to the occupational settings they wish to be employed in.

In the outline on the use of the concept in business education, one can easily detect some similarities with the recent validated operationalizations by Van der Heijde and Van der Heijden (2006), and the one by Fugate, Kinicki, & Ashforth (2004). However, as the former traditional so-called

Ano III – Número 4 - 2009

Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

'command and control structure' that was ubiquitous in China did not stimulate the development of generic 'soft' skills, and participation in decision-making, and as it was predominantly focused upon qualification and certification at managerial levels, many students lack the currently necessary flexibility and abilities to think critically and imaginatively (see also Xie and Wu, 2001). Similarly, Van der Klink and Boon (2003) state that the traditional curriculum aims at the acquisition of isolated theoretical knowledge, and that design procedures lack the flexibility to respond adequately to fast changing market demands. Traditional subject-oriented courses ought to be replaced by curricula including real-life problems within a certain job domain or profession. After an outline on the need for graduates' employability enhancement, some reflections on current career development notions are given. These reflections are meant to provide input requirements for curriculum development.

Although, nowadays, the state is still taking a lot of responsibility for nourishing graduates' development, i.e. provision of education, funding of job training, and so on, the 'moral' contract between business school educators and their students, and later on, between employers and employees should be much better taken care of (Ghoshal et al., 1996, Van Buren III, 2003).

CURRENT CAREER DEVELOPMENT NOTIONS

The time that careers consisted of upward moves within a framework of long-term employment relations has passed (see DeFillippi and Arthur, 1996; Gunz, Evans and Jalland, 2000). A new strategy of career development should be envisaged. Currently we talk about the 'protean career' (from the Greek God Proteus who could change shape at will) that consists of all the person's varied experiences in education, training, work in several organizations, and changes in organizational fields (Howard, 1995; Packer, 2000). This type of career has, among others, the following characteristics: permanently learning new skills, adaptability and change of fields, some lateral rather than upward movement, continual networking and personal control (Opengart and Short, 2002).

Through continuous learning and by means of changing jobs and tasks regularly, employees are expected to enlarge their skills and knowledge in order to increase their chances at the labour

Ano III – Número 4 - 2009 Revista da RET

> Rede de Estudos do Trabalho www.estudosdotrabalho.org

market, and of upward movement. Nowadays, career behaviours, decisions, competencies, and networks cut across the traditional boundaries of jobs, employers, industries, and occupations. Arthur, Inkson and Pringle (1999) discuss three types of competencies crucial for this so-called 'boundaryless career': 'knowing why', 'knowing what', and 'knowing whom'. All three types of competencies accumulate over time into career capital. *Knowing-why competencies* answer the question 'Why?' as it relates to career motivation, personal meaning, and identification. *Knowing-what competencies* reflect career relevant skills and job-related knowledge, and underlie how employees with their expertise contribute to a firm's repertoire of overall abilities. *Knowing-whom competencies* reflect career relevant networks, and refer to the inter-firm communication, and to how employees contribute to that (DeFillippi and Arthur, 1994).

Especially the latter type of competencies concerns a neglected type of skills. As classroom teaching was previously dominated by lecturer's monodrama (without interaction between teachers and students), and mainly comprised spoon-fed instruction without students' participation and involvement, network-building capacities have not been largely nourished nor stimulated. This is why many students are urged to fill up this gap in networking and communication skills themselves, and ought to create a solid knowledge and skills' base that is needed for more independent thinking.

An *employability orientation*, i.e. the attitudes and behaviour of employees towards their own employability (Van Dam, 2003), becomes of crucial importance. Increasingly, employees have to bear responsibility for their own professional development. It is highly recommended that students develop learning skills that are aimed at understanding how, why and what to learn, and that have a high relevance with regards to life-long learning. After all, learning strategies for mastering new expertise and the transferability of these are seen as important in the context of being a valuable employee (Van der Heijden, 1998), and for a continuous career development.

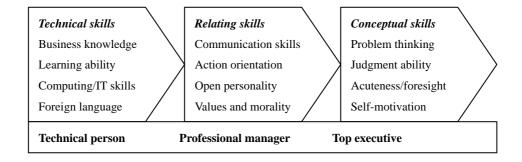
In the next section we will go into the skills' requirements that can be derived from frequently seen managerial career ladders. Aligning dominant career steps with developmental needs is a first step in dealing with curriculum needs, and might lead to proposals for reform of business education

Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

programs.

CAREER LADDERS AMONG CHINESE BUSINESS GRADUATES

Commonly, a manager performs three kinds of roles, e.g. an interpersonal role, an informational role, and a decisional role (Mintzberg, 1973). This is why communication skills have to be considered as highly important and critical for managers in all specialty areas. Especially in China, personal relationships, and personal networks, or so-called *Guanxi*, are very powerful as rules are assumed to be fixed, while people are expected to be highly flexible. From a career development point of view, most business graduates will experience a three-stage career ladder (see Figure 3). The first stage comprises employment in the role of a technical person (supervisors or bottom manager), followed by that of a professional manager (or middle manager) during the second stage, and a top executive role (or top manager) in the final stage (Katz, 1974).



<u>Figure 3</u>: Three-stage career ladder model for prospective managers (business graduates), including core skills' requirements (based upon Katz, 1974)

Katz (1974) identified three categories of skills that are found to be essential for successful management. *Technical skills* involve process or technique knowledge and proficiency. *Human skills* involve the ability to interact effectively with other people. *Conceptual skills* involve the formulation

Ano III – Número 4 - 2009

Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

of new ideas, and the capability to understand abstract relationships, and to solve problems creatively. A manager's hierarchical level within a certain working organization determines the relative importance of technical, human, and conceptual skills. Top-level managers or executives mainly need conceptual skills for longer term planning, and in order to be able to deal with ideas and abstractions. Supervisors strongly need technical skills in order to manage employees in their specific area of specialty. At the same time, people employed at all levels of management need human skills in order to successfully interact and communicate with their employees and other managers, while technical skills have significant importance for newcomers' success.

According to the model by Katz (1974), a business graduate will benefit relatively more from his or her technical skills than from conceptual skills. Obviously, in the recruitment process, a company, in general, definitely values the potential content of a business graduate's conceptual skills as well. But what really matters for successful employment of a business graduate, are technical and relating skills. It has to be pointed out that these skills' categories implicate ingredients or qualities that constitute a graduate's broader employability.

As stated before, in previous business education in China, students were only enabled to learn 'stiff' textbook business knowledge, rather than to learn and apply this knowledge within a certain context. This implies that most skills that have been previously mentioned (see Figure 3) have been neglected due to the job assignment practice that was used until 1997(see the note in Figure 2), and given the full employment of graduates until a few years ago. Given the numerous changes taking place in organizations nowadays, it is time to seriously pay attention to business education reform in order to guide graduates' employability (Van der Heijden, 2005).

BUSINESS EDUCATION REFORM AIMED AT ENHANCING BUSINESS GRADUATES' EMPLOYABILITY

As Chinese business education has failed to cultivate students' employability in a broader sense, it is absolutely necessary to reform and change the present educational system, that is currently

Ano III – Número 4 - 2009

Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

characterized by exam-oriented and teacher-centred schooling, into employability-directed education. More concretely, the curriculum for a business school should be flexible enough to provide a major and a minor program, with the major program providing a focused in-depth training within a specialized area, and with the minor one providing a profound training within multi-disciplinary areas (Gill and Lashine, 2003). Moreover, the flexibility of the curriculum and its possibilities to provide custom-made modules is of crucial importance. Owing to rapid technological changes, it is imperative to continuously update the curriculum in order to keep pace with labour market advancements.

An effective strategy could be to develop a change-driven curriculum where the design and learning paths are periodically reviewed according to market needs. Some vocational courses, such as, career management, entrepreneurship, self-management skills, team-working skills, interpersonal skills, group problem-solving, and management communication, combined with some courses related to global and international business reflecting current developments in the business world, should be added into the curricular system (see also Harvey et al., 1997; Knight and Yorke, 2003; Moreland, 2004; Stemmer et al., 1992).

Case studies, role plays, simulations, and so on, that are rooted within a local as well as in a global context should be emphasized in order to simulate real-life problem-solving, and should be aimed at developing skills and approaches to successfully cope under these circumstances. By introducing bilingual teaching methods into business schools, students are enabled to absorb contemporary knowledge from the developed world. In addition to the fact that business graduates who have good command of business English are the ones that can often obtain good jobs (Guo, 2004b), we assume that those students are moreover the ones that are more employable in the long run.

In 2001, the Ministry of Education issued a document calling for actions to enhance teaching quality in colleges and universities. One of the requested actions concerns bilingual teaching in some WTO-related specialties, in order to incorporate the most updated knowledge. Higher education is urged to take advantage of highly-ranked foreign textbooks (which are mainly in English), such as

Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

Marketing written by Philip Kotler and Organizational behaviour written by Steven Robbins, and of resources comprising advanced management knowledge. The Ministry of Education believes that higher education taught in English can foster talents needed for global thinking, as well as promote internationalization of Chinese universities. Teachers are also encouraged to use English language for the explanation of key academic concepts and terms, followed by Chinese lectures for detailed elaborations.

Another requirement concerns the intensification of practical instructions, next to dealing with the academic literature, and more attention for students' initiatives, and practical abilities. Both are aimed at enlarging the students' future career prospects and their employability. On March 3, 2004, the State Council launched 'The 2003-2007 Action Plan for Invigorating Education'. The Action Plan was aimed to further implement the strategies noted in 'Rejuvenating China Through Science and Education and Reinvigorating China Through Human Resource Development', and at speeding up educational reform and development in the years to come. It includes six priority projects of which three are important in this respect. The first project that pertains to higher education aims at promoting skills-oriented education, strengthening moral education, deepening curriculum reform, and reforming the evaluation system. The second one emphasizes the overwhelming importance of strengthening and improving the quality of education, and puts emphasis upon a teaching reform and upon the establishment of an evaluation and quality assurance system. The third project, that is important in this respect, pertains to employment promotion for university graduates.

Performance indicators linked to graduates' employment and their future careers are increasingly important in governmental funding decisions. As most Higher Educational Institutions (HEIs) are owned by the central government or by local governments, they are mainly dependent on governments' funding. These funds are provided to HEIs according to their graduates' employment rate. As such, colleges and universities can no longer neglect the cultivation of students' knowledge and skills, their qualities, and their core competencies, that is to say, their employability. More specifically, business education should focus upon fostering students' domain-specific competencies as

Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

well as developing transferable skills by means of curricula that comprise a high amount of classroom participation and involvement in real-life cases rather than preaching what the textbook writes.

It goes without saying that academic staff members in business schools play a core role in enhancing students' employability. However, many staff members enter university early in their careers and have a limited experience of business life, implying that their knowledge and skills, and awareness regarding the business world are limited. Moreover, many academics do not consider the enhancement of employability to be of concern, as the concept is not closely related to the core business of academic life, which can be summarized into the statement 'publish or perish'. Hills et al. (2003) expect it highly unlikely that universities are going to pay attention to employability enhancement unless they are provided additional funding.

In a research-driven institution, employability guidance might be seen as eccentric at best, and, at worst, as not being an academic matter of high importance. This is why in recent years the Ministry of Education has continuously stressed the importance of teaching quality in higher education, and has tried to reinforce it by systems of promotion that recognize teaching, research and employability enhancement as three core academic tasks (McNair, 2003). Obviously, the outcomes of these promotions activities are highly dependent upon the translation into concrete teaching. That is to say, to what extent professors at business schools incorporate employability-enhancing ingredients into their teaching approaches.

Re-enforcing graduates' career guidance by means of the establishment of a students' affairs department appears to be effective in the light of graduates' employability enhancement as well. This kind of service is often the focus of relationships with the employer community, and consists of students' support with regard to job application, and career planning. At the same time, students' unions in China, governed by colleges and universities' authorities, should be increasingly stimulated to support students' employability enhancement. Examples of initiatives run by students' unions include contests, such as speech games to develop generic and transferable skills, and volunteering schemes, which provide students with the opportunity to develop a wider range of skills.

Ano III – Número 4 - 2009

Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

Another measure exists of a system that requires students, next to educational progress, to critically discuss their progress, their developments, and their future career directions together with a member of the academic staff. According to a student's individual traits, educational background and socialization processes, the tutor might give input aimed at a tailored personal career planning for the particular student. In this regard, Sears and Hersh (2000) propose the so-called Contextual Teaching and Learning (CTL) approach which can be summarized as a teaching form that enables learning, and increase of academic understanding and ability in a variety of business contexts. The approach pertains to solving simulated or real world problems, both alone and in various dyad and group structures (see also Clifford and Wilson, 2000; Holdsworth and Gearhart, 2002; Owens and Smith, 2000; Ramsey, 2003, for more specific elements that are important to CTL).

CONCLUSIONS

Employability enhancement should be an integrated activity that is undertaken in close collaboration between different parties, such as business school staff, employers' representatives, and students themselves. Its success and effectiveness depends upon the quality of a curriculum that is developed in line with current employability requirements, and upon a periodic review, staff's intention to promote it, a tutorial system to help students in developing a personal career plan, and student union involvement as well.

In order to eliminate some recruitment bottlenecks, policies that affect both graduates' suitability and labour requirements are needed. These policies are to be formulated in close communication with different economic and social actors (public authorities, representatives of industry, enterprises, employers, and unions) to anticipate firms' current needs, and to enable business education aimed at 'creating' the right kind of labour force. The European Commission's so-called 'European Social Agenda' at the Nice Summit from December 2000 could be considered as a useful example in this regard. The agenda's objective concerns employability enhancement by means of adaptation and training, and refers to the obligation of enterprises to formulate a coherent policy for

Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

human resources development. Even if a firm accepts no formal obligation to improve its workers' employability in order to combat unemployment, it may be obliged to do so in order to ensure its economic success.

As regards government policy, we would like to stress that it should be aimed at a further development and accreditation of knowledge and vocational skills, as well as social skills and attitudes. Next to the development of core skills, such as, computing, oral and written communication, listening, critical analysis, and self-management, process skills ought to be developed, i.e. applying subject understanding, computer literacy, commercial awareness, political sensitivity, coping with ambiguity and complexity, influencing, team-working, and negotiating. Besides, personal qualities, such as self-confidence, emotional intelligence, adaptability, willingness to learn, and reflectivity, are important aspects as well (Yorke and Knight, 2002).

Further research is needed in order to better understand how business education in China can contribute to an increase in managerial qualities and to determine what predictor variables, like individual, job-related and organizational factors, are important in the light of further enhancement of management expertise. In addition, it would be interesting to investigate the degree of overlap between future employers' perceptions, and the perceptions of business graduates as regards managers' skills' requirements, dependent upon career ladder (see Figure 3). As the perceptions of different raters might differ significantly, the source of the rater (future employer versus business graduate) is of tremendous importance for the determination of the core curriculum, and of secondary courses aimed at enlarging the graduates' employability. Psychometrically validated instruments like, for example, the one by Van der Heijde and Van der Heijden (2006) wherein a multi-dimensional operationalization of employability has been used might be helpful in this regard.

A multi-dimensional approach is useful for at least three reasons. Firstly, as individuals continue in their career, their knowledge and skills become increasingly differentiated and specialized. A multi-dimensional operationalization permits the measurement and comparison of performance levels attained in different professional domains. Secondly, a multi-dimensional approach is useful in

Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

identifying those components most in need of being updated. Thirdly, a multi-dimensional approach is useful in examining how specific factors in the individual or working environment support or limit performance in particular management areas.

Further research is also necessary in order to test, preferably in a longitudinal way, what the effects of certain managerial skills are upon managerial success across countries. Obviously, it is highly important, also in the light of international business careers, to find out whether cultural differences do exist in required employability capabilities between workforce populations from different countries, and to make cross-cultural validation studies of the measurement methods that are used. In order to make valid cross-cultural comparisons (Van de Vijver and Leung, 1980), both structure-oriented studies and level-oriented studies are to be performed. Structure-oriented studies are aimed at examining relationships among variables, and at identifying similarities and differences in these relationships across cultures. For example, is the structure of employability universal? Level-oriented studies, on the other hand, focus on differences in the magnitude of variables across cultures. For example, are members of culture A more employable than members of culture B? The interest lies in the differences in averages, standard deviations, reliabilities, or other psychometric properties of the instrument across cultural groups.

By using the proposed research methodology both convergent and divergent findings can be discovered. The methodology is convergent as a result of a nation-wide adoption of similar management measures and strategies concerning employability enhancement, and divergent because of the preservation of the specific characteristics of national education and work-life systems and cultural influences upon management strategies in different countries.

Ano III – Número 4 - 2009

Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

REFERENCES

- Arthur, M.B. (1994). The boundaryless career: A new perspective for organizational inquiry. *Journal of Organizational Behavior*, 15, 295-306.
- Arthur, M.B., Inkson, K., and Pringle, J.K. (1999). *The New Careers: Individual action and economic change*. Sage: London.
- Berrell, M., Wrathall, J. and Wright, P. (2001). A Model for Chinese Management Education:
- Adapting the Case Study Method to Transfer Management Knowledge. *Cross Cultural Management*, 8(1), 28-44.
- Bollerot, P. (2002). Labor Shortages and Employability: A European and International Approach. *International Social Security Review, Vol.* 55(3), 19-38.
- Bolweg, J.F. (1997). *De onmogelijkheid van consistent sociaal beleid*. [The impossibility of a consistent social policy]. Deventer: Kluwer.
- Bolweg, J.F., and Maenhout, J.M.M. (1995). 'Full employability: economisch noodzakelijk, sociologisch naïef?' [Full employability: economical necessary, sociological naive?]. In: L. Faase, M. Ott, and C.J. Vos (Eds.), *Nieuwe breukvlakken in het arbeidsbestel?* [pp. 92-99]. Utrecht: De Tijdstroom.
- Brooks, R., and Tao, R. (2003). *China's Labor Market Performance and Challenges*. IMF Working Paper, WP/03/210.
- Brown, P., and Lauder, H. (2001). *Capitalism and Social Progress: the future of society in a global economy*. Basingstoke: Palgrave.
- Clifford, M., and Wilson, M. (2000). *Contextual Teaching, Professional Learning, and Student Experiences: lessons learned from implementation.* Available at: www.cew.wisc.edu/teachnet-no.2.
- DeFillippi, R.J., and Arthur, M.B. (1994). The boundaryless career: a competency-based perspective. *Journal of Organizational Behavior, 15*, 307-324.
- DeFillippi, R.J., and Arthur, M.B. (1996). Boundaryless contexts and careers: A competency-based perspective. In: M.B. Arthur and D.M. Rousseau (Eds.), *The boundaryless career: A new employment principle for a new organizational era* [pp. 116-131]. New York: Oxford University Press.
- De Grip, A., Van Loo, J., and Sanders, J. (2004). The Industry Employability Index: taking into account of supply and demand characteristics. *International labor Review*, 143(1), 211-233.
- De Haan, E.G., et al. (1994). Labor flexibility. Den Haag: Welboom.
- Duan, X. (2003). Chinese Higher Education Enters a New Era. Academe, Nov/Dec, Vol. 89, 22-27.
- Forrier, A., and Sels, L. (2003). The concept employability: a complex mosaic. *International Journal of Human Resources Development and Management*, 3(2), 102-124.
- Friedrichs, J.H. (2000). Personeel steeds meer rots in de branding: Employability als drijvende kracht achter veranderingen. [Personnel, relying on them more and more: Employability as driving force behind changes]. *Gids voor personeelsmanagement*, 79(2), 36-38.
- Fugate, M. (2002). *On defining and operationalising employability*. Telephone interview, 15-1-02. Fugate, M., Kinicki, A.J., & Ashforth, B.E. (2004). Employability A psycho-social construct, its dimensions, and applications. *Journal of Vocational Behavior, 65*, 14-38.
- Gazier, B. (1990). L'Employabilité: Brève radiographie d'un concept en mutation. [Employability:

Ano III – Número 4 - 2009

Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

- Short registration of a changing concept]. Sociologie du Travail, 32(4), 575-584.
- Ghoshal, S., et al. (1996). *Employment Security, Employability, and Sustainable competitive Advantage*. Paper Presented at the 1996 Academy of Management annual meeting. Cincinnati, Ohio.
- Gill, A., and Lashine, S. (2003). Business Education: A Strategic Market-Oriented Focus. *International Journal of Educational Management*, 17(5), 188-194.
- Glastra, F., and Meijers, F. (2000) (Eds.), Een leven lang leren? Competentieontwikkeling in de informatiesamenleving [Life-long learning? Competence development in the information society]. Den Haag: Elsevier Bedrijfsinformatie B.V.
- Gunz, H., Evans, M., and Jalland, M. (2000). Career boundaries in a 'boundaryless world'. In: M.A. Peiperl, M.B. Arthur, R. Goffee, and T. Morris (Eds.), *Career frontiers: New conceptions of working lives* [pp. 24-53]. Oxford, UK: University Press.
- Guo, Z.W. (2004a). A Reform Notion for Business Instructional Pattern. *Journal of Chinese Education* (Hong Kong), April, 112-115.
- Guo, Z.W. (2004b). Exploration of Bilingual Teaching in Curricula of Business Administration Specialty. *Journal of Modern Education Research* (Hong Kong), March, 31-35.
- Hambleton, R.K. (1994). Guidelines for adapting educational and psychological tests: A progress report. European Journal of Psychological Assessment (Bulletin of the International Test Commission), 10, 229-244.
- Harvey, L. (2001). Defining and measuring employability. *Quality in Higher Education*, 7(2), 97-109.
- Harvey, L., et al. (1997). Graduates' Work (Birmingham, Centre for Research into Quality).
- Hillage, J., and Pollard, E. (1998). *Employability: developing a framework for policy analysis*. Research Brief 85, Department for Education and Employment
- Hills, J.M., et al. (2003): Bridging the Gap between Degree Programme Curricula and Employability Through Implementation of Work-related Learning, *Teaching in Higher Education, Vol.* 8(2), 211-231
- Hoeksema, L., and Paauwe, J. (1996). Employability: De inzetbaarheid van personeel binnen en buiten de organisatie. [Employability, the deployment of personnel within and outside the organisation] In: A. Stads, and N. Verbeek (Eds.), *Human Resource Management, een praktisch handboek voor operationeel leidinggeven*, 3, (pp 102-132). Utrecht: Teleac.
- Holdsworth, T., and Gearhart, E. (2002): Preparing the Workforce of Tomorrow: Teaching and Assessing Employability Skills. *Modern Machine Shop*, 74(12), 158-159.
- Holmes, L. (2001): Reconsidering Graduate Employability: the "graduate identity" approach. *Quality in Higher Education, Vol.* 7(2), 111-119.
- Howard, A. (Ed.) (1995). The changing nature of work, San Francisco: Jossey-Bass.
- IOSC (2004). China's Employment Situation Policies,
 - http://english.peopledaily.com.cn/200404/26/eng20040426_141553.shtml
- Jackson, C. (1996). Managing and developing a boundaryless career: Lessons from dance and drama. European Journal of Work and Organizational Psychology, 5(4), 617-628.
- Jiang, N. (2004). *College and University Recruitment in Year 2004*: An Interview with Official of Ministry of Education. China's Education Daily, 11/2(5).
- Katz, R. (1974). Skills of an Effective Administrator. Harvard Business Review, Sept/Oct, 90-101.
- Knight, T., and Yorke, M. (2003). *Learning, curriculum and employability in higher education*. London: Routledge-Falmer.
- Lawler III, E.E.(1994). From job-based to competency-based organizations. *Journal of Organizational Behavior*, 5(3), 3-15.

Ano III – Número 4 - 2009

Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

- Li, L.L., and Van Baalen, P. (2007). Indigenization of Management Education in China. *Higher Education Policy*, 20, 169–193.
- Liu, S.M. (2006). Developing China's future managers: learning from the West? *Education and Training*, 48 (1), 6-14.
- McNair, S. (2003). *Employability in Higher Education: Developing Institutional Strategy*, http://www.ltsn.ac.uk/genericcentre/index.asp?id=19312
- Mintzberg, H. (1973). The Nature of Managerial Work. Harper Row.
- Mirvis, P.H., and Hall, D.T. (1994). Psychological success and the boundaryless career. *Journal of Organizational Behavior*, 15, 365-380.
- Moreland, N. (2004): Entrepreneurship and Higher Education: an Employability perspective, www.ltsn.sc.uk/ESECT/Publication/Learning and Employability Series/
- Opengart, R., and Short, D.C. (2002). Free agents learners: the new career model and its impact on human resource development. *International Journal of Lifelong Education*, 21(3), 220-233.
- Owens, T., and Smith, A.J. (2000). *Definition and Key Elements of Contextual Teaching and Learning*, Talking Paper Series, 1.04 (Washington, DC, Washington Consortium for Contextual Teaching and Learning).
- Packer, A. (2000). Getting to know the employee of the future. *Training and Development*, 54(8), 39-43.
- Pearson, R.W. (1988). Creating flexible careers: Some observations on a "bridge" programme for unemployed professional. *British Journal of Guidance and Counselling*, *16*(3), 250-267.
- Plafker, T. (1997). China to Stop Assigning Jobs to Graduates, *Chronicle of Higher Education, Vol.* 43(23), pA45, 1/6p.
- Ramsey, R. D. (2003). Employability, *The American Salesman*, January, pp. 23-28.
- Sears, S.J., and Hersh, S. (2000). *Preparing Teachers to Use Contextual Teaching and Learning Strategies to Enhance Student Success in and Beyond School* (Office of Vocational and Adult Education, United States Department of Education).
- Stemmer, P., et al. (1992): The Employability Skills Portfolio, *Educational Leadership*, March, pp. 32-35.
- Sterns, H.L., and Dorsett, J.G. (1994). Career development: A Life Span Issue. *Experimental Aging Research, Special issue on Cognition, work, Technology and Environmental design for the Elderly*, 20(4), 257-264.
- Thijssen, J.G.L. (1997). Employability and employment: terminology, construction of models and educational practice. *Opleiding & Ontwikkeling, 10*, 9-14.
- Thijssen, J.G.L. (2000). Employability in het brandpunt. Aanzet tot verheldering van een diffuus concept. [Employability in the focus of attention. Onset to enlightening a confuse phenomenon]. *Tijdschrift voor HRM*, 3(1), 7-37.
- Thijssen, J.G.L., and Van der Heijden, B.I.J.M. (2003). *Employability in the focus of attention. Onset to enlightening a confuse phenomenon.* Paper presented at the 7th Conference on International Human Resource Management, june 2003.
- Van Buren III, H.J. (2003). Boundaryless Careers and Employability Obligations. *Business Ethics Quarterly*, 13(2), 131-149.
- Van Dam, K. (2003). Understanding experts' attitudes towards functional flexibility. *International Journal of Human Resources Development and Management*, 3(2), 138-153.
- Van der Heijde, C.M., and Van der Heijden, B.I.J.M. (2006). A competence-based and multidimensional operationalization and measurement of employability. *Human Resource*

Ano III – Número 4 - 2009 Revista da RET

Rede de Estudos do Trabalho www.estudosdotrabalho.org

Management, 45(3), 449-476.

- Van der Heijden, B.I.J.M. (2005). "No one has ever promised you a rose garden" On shared responsibility and employability enhancing strategies throughout careers. Inaugural address delivered in abridged form on the occasion of the public acceptance of the professorship in Strategic HRM, in particular aimed at the dynamics of individuals career development at the Open University of the Netherlands. Heerlen: Open University of the Netherlands. Assen: Van Gorcum.
- Van der Heijden, B.I.J.M. (1998). The measurement and development of occupational expertise throughout the career. A retrospective study among higher level Dutch professionals. Ph.D.-thesis. University of Twente, Enschede, the Netherlands. Enschede: PrintPartners Ipskamp.
- Van der Heijden, B.I.J.M. (2000). The development and psychometric evaluation of a multi-dimensional measurement instrument of professional expertise. *High Ability Studies*. *The Journal of the European Council for High Ability, 11*(1), 9-39.
- Van der Heijden, B.I.J.M., and Thijssen, J.G.L. (2003). Editorial: HRD and employability. *International Journal of Human Resources Development and Management*, 3(2), 99-101.
- Van der Klink, M.R., and Boon, J. (2003). Competencies: the triumph of a fuzzy concept. *International Journal of Human Resource Development and Management*, 3(2), 125-137.
- Van der Velde, M.E.G., and Van den Berg, P.T. (2000). Employability as social exchange with the organization. *Gedrag en Organisatie*, 13(3), 168-181.
- Van de Vijver, F., and Leung, K. (1980). Methods and data analysis of comparative research. In: J.W. Berry, Y.H. Poortinga and J. Pandey (Eds.), *Handbook of Cross-Cultural Psychology* (Vol. 1, pp.257-300 Theory and Method). Boston: Allyn & Bacon.
- Van Lammeren, C. (1999). De veranderende betekenis van employability [The changing meaning of employability]. *Gids voor de Opleidingspraktijk*, 28, 1-23.
- Versloot, A.M., Glaudé, M.Th., and Thijssen, J.G.L. (1998). *Employability: een pluriform arbeidsmarktfenomeen* [Employability: a multi-form job market phenomenon]. Amsterdam: Max Goote/Synopsis.
- Venter, K. (2003). Building on formal education: employers' approaches to the training and development of new recruits in the People's Republic of China. *International Journal of Training and Development*, 7(3), 186-202.
 Wang, Z.M. (1999). Current models and innovative strategies in management education in China. *Education and Training*, 41(6/7), 321-318.
- Willis, M. (2003). What do Chinese and foreign universities value about their strategic alliances? Exploring a dimension of higher education alliances in a cross cultural context. *Journal of Teaching in International Business*, 15(2), 5-26.
- Xie, J.Y., and Wu, G.C. (2001). Training and Development in the PRC. *International Journal of Training and Development*, 5(3), 223-232.
- Yorke, M., and Knight, P. (2002). *Employability through Curriculum*, in Skills Plus: Tuning the Undergraduate Curriculum June 2002 Edition, http://www.open.ac.uk/vqportal/Skills-Plus/home.htm
- Zhang, J. (2004). Employment of College Graduates and Talents The Sunday Column, China

Ano III – Número 4 - 2009 Revista da RET Rede de Estudos do Trabalho www.estudosdotrabalho.org

Business Infocenter, http://www.cbiz.cn/NEWS/showarticle.asp?id=2018

- Zhang, Y.L., and Liu, B.J. (2006). Social Occupational Classes and Higher-Education Opportunities in Contemporary China: A Study on the Distribution of a Scarce Social Capital. *Frontiers of Education in China*, *1*(1), 89-99.
- Zhao, C. (2003). A Report of Business Education in China. Peking: Tsinghua University Publishing Company.