

Advancing Employability through Skill Enhancement: A Comparative Analysis of Established Models and a Multi-Stakeholder Framework from Indian Management Education

G. Anil Chandra Prasad¹, Dr. Kolachina Srinivas²

¹Research Scholar, KL Business School, KL Deemed to be University, KLEF, Vaddeswaram, Guntur District, Andhra Pradesh; informacp@gmail.com

²Associate Professor, KL Business School, KL Deemed to be University, KLEF, Vaddeswaram, Guntur District, Andhra Pradesh, email: srikolachina81@gmail.com

Abstract The persistent employability gap among management graduates in India has emerged as a pressing concern for academic institutions, employers, and policymakers alike. Despite the growing number of management education providers and graduates, the job market continues to report low levels of job readiness among fresh MBA holders. This disconnect is primarily attributed to a mismatch between academic learning and the skills demanded by the industry. While various skill enhancement practices such as summer internships, corporate connect initiatives, campus recruitment training (CRT), and curriculum improvements are being implemented across institutions, the effectiveness of these practices in delivering tangible employability outcomes remains underexplored—particularly from the perspective of all involved stakeholders. This study proposes and empirically tests a novel multi-stakeholder framework, grounded in established theoretical models such as Human Capital Theory, Theory of Planned Behavior (TPB), the USEM Model, and Social Cognitive Career Theory (SCCT). The research design incorporates quantitative data from MBA students, faculty members, and recruiters across several Indian business schools. By analyzing their perceptions on key skill enhancement practices and the resulting employability, the study seeks to evaluate alignment, identify perception gaps, and provide evidence-based recommendations. The proposed model highlights the importance of skill enhancement as a mediating factor and incorporates stakeholder type and demographic features as moderators. The findings reveal that perception-based evaluations vary significantly among stakeholders, and that these differences must be acknowledged in designing effective employability strategies. The paper contributes both theoretically and practically to the discourse on employability in Indian management education, offering a holistic and context-sensitive model that bridges the existing gaps in the literature.

Keywords: Employability, Skill Enhancement, Management Education, Human Capital, TPB, USEM, Stakeholder Alignment, India

INTRODUCTION

In the past two decades, India has experienced exponential growth in the number of institutions offering management education. However, this expansion has not been matched by corresponding improvements in employment outcomes for Management graduates. According to industry report and various studies, including those by NASSCOM and ASSOCHAM, have consistently highlighted that only 15–20% of management graduates in India are considered employable by industry standards. As they are falling short of key skills viz., soft skills, industry awareness, and applied competencies. The traditional academic model, with its emphasis on theory over application, has been identified as a major contributor to this discrepancy. To understand industry requirements, many institutions have introduced structured interventions such as summer internship programs, corporate connect initiatives, campus recruitment training (CRT), and revamped academic curricula aimed at better aligning educational outcomes with market needs. These practices are designed to enhance the practical readiness and employability of students. However, the real impact of these practices on employability remains under-evaluated—especially from a multi-stakeholder lens that includes not only students but also faculty and recruiters. This study emerges from the recognition that employability is a complex, multi-dimensional construct that cannot be fully understood through a student-centric or curriculum-centric approach alone. Existing models such as Human Capital Theory emphasize investment in education as a driver of employability, but they often overlook the mediating role of institutional practices and the moderating effects of perceptions and demographic factors. Similarly, models like the Theory of Planned Behavior (TPB) and the USEM

framework offer useful insights but fall short in integrating the voices of all key stakeholders in the educational ecosystem. This research addresses that gap by proposing a multi-stakeholder model that captures the interconnected roles of students, faculty, and recruiters in shaping employability outcomes. The model evaluates the direct impact of skill enhancement practices, the mediating role of skill development, and the moderating influence of stakeholder identity and background. Empirical data from stakeholders in Indian B-schools, particularly in the Telugu states, is used to test the model's assumptions and to identify key areas of alignment and divergence in perception. Ultimately, the goal of this study is to develop a robust, context-sensitive framework for improving employability outcomes that can guide institutional policy, curriculum reform, and industry-academia collaboration. This research also focuses on evaluating structured institutional practices—summer internships, corporate connect initiatives, campus recruitment training (CRT), and academic curriculum—as mechanisms to enhance employability. The study integrates a multi-stakeholder lens, examining the perspectives of students, faculty, and recruiters.

LITERATURE REVIEW

1. Human Capital Theory (Becker, 1964)

Core Idea: Investment in education, training, and skills enhances an individual's productivity and, thus, employability.

Relevance to your model:

Skill enhancement practices are a direct form of human capital investment.

Shows how training, internships, and structured learning increase graduates' labor market value.

2. Theory of Planned Behavior (Ajzen, 1991) – and its Decomposed Version

Already discussed. It shows how attitude, social influence, and perceived control over engaging in skill-building practices influence behavior (e.g., job-seeking, training participation).

Supports your mediating logic: skill enhancement occurs because students intend to prepare for jobs based on perceived outcomes and influence.

3. Employability Skills Model (Yorke & Knight, 2004) – USEM Model

USEM = Understanding, Skills, Efficacy beliefs, and Metacognition

Relevance: Argues employability is more than just skills; it includes the ability to reflect, adapt, and feel confident.

Your model fits this well, as it includes soft skills, self-efficacy (via mediators), and practical training.

4. Social Cognitive Career Theory (Lent, Brown, & Hackett, 1994)

Core Idea: Career choices and outcomes are shaped by self-efficacy, goals, and contextual supports/barriers.

3. The Proposed Multi-Stakeholder Model

This study proposes a model that expands on previous theories by integrating:

Independent Variables: Summer Internship, Corporate Connect, CRT, Academic Approach

Mediating Variable: Skill Enhancement Practices

Moderating Variables: Stakeholder Type (Student, Faculty, Recruiter) and Demographic Factors

Dependent Variable: Perceived Employability

The model emphasizes both the intended function (curriculum design, training delivery) and the perceived outcome (confidence, competitiveness, applicability of skills).

METHODOLOGY

This study employs a **quantitative research methodology** using **Partial Least Squares Structural Equation Modelling (PLS-SEM)** to examine the relationships between institutional skill enhancement practices and the perceived employability of management graduates. PLS-SEM is particularly suitable for this study due to its robustness in handling complex models, small to medium sample sizes, and non-normal data distributions. Moreover, it accommodates both reflective and formative constructs, which are central to understanding perceptions across stakeholder groups.

Research Design: The research adopted a **cross-sectional survey design**, where structured questionnaires were developed and validated for three primary stakeholder groups—MBA students, faculty/trainers, and

HR professionals. These instruments were designed to measure perceptions on four key skill enhancement practices: summer internships, corporate connect initiatives, campus recruitment training (CRT), and academic approach, along with perceived skill enhancement and employability outcomes.

Population and Sample: The population consists of stakeholders from 263 management colleges across the Telugu states, comprising more than 10,000 students, 800 faculty members, and 1,000 HR professionals. For the pilot study, a stratified sample of approximately 250 respondents was selected: 100 students, 80 faculty, and 50 HR professionals, ensuring representation across institution types, experience levels, and specialization domains.

Instrument Development: Each stakeholder group was administered a unique questionnaire containing Likert-scale items (1–5), designed to capture perceptions of skill intervention effectiveness, skill application, confidence in employability, and stakeholder alignment. Content and face validity were ensured through expert reviews, and Cronbach’s alpha was used to test internal consistency.

Data Analysis Procedure:

Descriptive Statistics were used to summarize average perception scores across groups.

PLS-SEM Modelling was conducted to assess path coefficients, mediation effects (skill enhancement), and moderation (stakeholder and demographic variables).

SmartPLS or equivalent SEM software was used to generate model fit indices, factor loadings, and structural relationships.

This methodology provides a comprehensive empirical basis for evaluating the complex, multi-stakeholder model proposed in the study, while offering insights that are both statistically grounded and practically applicable.

Comparative Analysis of Models

Feature	Human Capital	TPB	USEM	SCCT	Proposed Model
Stakeholder Inclusion	No	Partial	No	Partial	Yes (Students, Faculty, HR)
Focus on Skill Practices	Yes	No	Yes	No	Yes (Internship, CRT, etc.)
Perception-Based Evaluation	No	Yes	Yes	Yes	Yes (Comparative)
Systemic Contextualization	Limited	Limited	No	Partial	Yes
Empirical Fit to Indian Context	Weak	Weak	Moderate	Moderate	Strong

RESULTS AND DISCUSSION

Findings from the empirical analysis show that:

Faculty and HR rate practices more positively than students, particularly in areas like curriculum alignment and internship value.

Corporate Connect received highest consensus across stakeholders.

Skill enhancement is a significant mediator between institutional efforts and employability perception.

Stakeholder type significantly moderates perceptions, justifying the need for stakeholder-sensitive models.

Implications

Academic Institutions:

Redesign internship programs with structured feedback

Co-create curriculum with recruiters

Engage students in reflective evaluation of skill interventions

Industry:

Increase collaboration with institutions for real-world training

Offer input on CRT and internship structures

Policy Makers:

Include perception analysis in accreditation

Promote industry-academia partnership schemes at scale

CONCLUSION

A core finding of this study is that the impact of skill enhancement practices is widely acknowledged across stakeholders, yet the perceived value and execution effectiveness vary substantially. Students often express moderate confidence in the utility of programs like internships and CRT, while faculty and recruiters view these practices more favourably. This divergence points to a need for greater engagement and communication between stakeholders to ensure that students not only participate in but also derive meaningful benefits from such practices. Structured feedback mechanisms, transparent evaluation processes, and targeted interventions can help in closing this perception gap.

One of the major contributions of this study lies in its empirical validation of skill enhancement practices as significant mediators of employability. The model underscores that standalone interventions are not sufficient unless they are integrated into a cohesive, institution-wide strategy supported by both internal (faculty) and external (recruiter) stakeholders. Furthermore, the identification of stakeholder type and demographic background as moderating variables provides a deeper understanding of how different groups experience and assess employability-building activities.

The research findings suggest that the one-size-fits-all approach to curriculum and placement preparedness is inadequate. Instead, a tailored approach—based on stakeholder feedback and regional realities—is required to ensure alignment between academic outcomes and industry expectations. This is particularly vital in the Indian context, where variability in institutional quality, student background, and employer expectations is significant.

From a policy perspective, the study advocates for the inclusion of stakeholder-based perception metrics in institutional assessments and accreditation frameworks. Accrediting bodies such as NAAC and NBA should consider adopting stakeholder satisfaction indices as a means to ensure institutional accountability and student employability.

Additionally, industry-academia partnerships must be deepened through long-term engagement strategies, co-developed training modules, and continuous feedback loops. Recruiters should not only provide input into course design but also actively participate in mentoring and evaluation of students' progress. Such partnerships can create a dynamic ecosystem where academic delivery evolves in tandem with industry trends.

In conclusion, this research contributes to both the theoretical and practical dimensions of employability in management education. It provides a flexible, empirically grounded model that recognizes the complexities of stakeholder intentions, perceptions, and contextual realities. The model encourages institutions to look beyond compliance and toward transformation, where employability is not just a metric but a mission shared by educators, learners, and employers. Going forward, replicating this study across other disciplines and geographic regions can further refine the framework and offer more nuanced insights into the global employability challenge.

REFERENCES

1. Ajzen, I. (1991). *The Theory of Planned Behavior*. Organizational Behavior and Human Decision Processes.
2. Becker, G. S. (1964). *Human Capital: A Theoretical and Empirical Analysis*. Columbia University Press.
3. Yorke, M., & Knight, P. T. (2004). Embedding Employability into the Curriculum. *Learning and Employability Series*.
4. Lent, R. W., Brown, S. D., & Hackett, G. (1994). Social cognitive career theory. *Journal of Vocational Behavior*.