

## Enhancing employability skills valued by employers - Case of Albania

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### Abstract

Hard skills and soft skills are the best assets of employees to prepare themselves to retain in the job market and overcome competition in the labor market. It is important for all employees in privat sector, public ones and nonprofit organizations to have hard and soft skills. Nowadays in Albania it is certainly a topic that should receive great attention because there is a great gap between degree and competence. The purpose of this paper is to identify the impact hard skills and soft skills on being employable. The focus was to study the contribution of skills like education, trainings, communication, problem solving, team working, numeracy, having self-management and self-confidence, having the ability to work under pressure and on deadlines, having organizational skill and IT knowledge. To determine skills that employers are looking for. What should be done to and what should be changed to be part of the workforce. By using SPSS version 23, it was done the statistical analysis, where a questionnaire was conducted to the different employers, private or state one's in Albania. They were asked different questions regarding the employee's skills they are looking for. What are most important skills that they consider when they are employing employees. Based on the statistical analyzes, the results of the study showed that hard skills and soft skills have positive impact on being employable, but it results that soft skills are having greater impact nowadays.

**Keywords:** employability skills, skill gap, skill mismatch, hard skills, soft skills, degree.

### Introduction

In nowadays, it is not hard finding the first job in the worldwide but remaining employable is the main concern to everyone. In the globalization world, employers are looking for employees with employability skills. Hard skills and soft skills, are becoming increasingly important on 21 first century. Having employability skills is considered essential for finding jobs and retain employable in the market labor. The greatest concern of employers today is finding good workers that possess skills needed for the job. Nowadays, having a master's degree is important tool for being employable. Sometimes, a degree is just "a paper to frame on the wall" has no value and will never get graduates anywhere, if the one who possesses it is unable to demonstrate the leve of skills, which was supposes to achieve whilw was getting the degree course. The economy is going progressively down in underdeveloped countries because their institutes and universities are graduating students that do not fit to move the work forward or improve their countries. Sometimes is hard to find jobs based in your education and qualification, even if you have your diplomas

in your hands you maybe out of work. Jobs come and go, careers flourish or flounder, but a person's basic employability – the ability to be employable – is the rock upon which the next job or career can be built (Trought, F., 2017). As far as it is known higher education institutions work hard, by using their curricula, and their expertise, to produce students with employable skills that will be able to contribute to the sustainable economy and economic growth and development. Employers want employee that do work, have communication skills, know how to say things and when to say, to find the right time and write words on saying something. Employees must be strong and have hard skills and soft skills to remain in the labor market.

Underinvestment in trainings are main factor that are causing skill shortages. In a country skill mismatch may happen even regarding the position the economy might have in the economy circle. The firms must understand that there are temporary skill gaps inside the organization, because of the changes to the workplaces. Skill gaps exits because of several reasons, as for example the new workers, time to adopt and get accustomed with new position. SMEs play a key role in Albania by generating employment, innovation, competition and creating SMEs wealth (Kraja, Borici, Y., 2018).

**Hypothesis:**  $H_1$  Nowadays hard skills are having greater impact than soft skills on being employed.

The research questionnaire was developed based on the previous studied and was pilot tested to e 10 employers. The Cronbach's Alpha was calculated and the worth of more than 0.84. Study consists of a final sample of 657 participant (employers) from different organizations in Albania. It was used Likert scale.

## Theoretical background

### *Employability skills*

Employability 'a set of achievements – skills, understanding and personal attributes – that makes graduates more likely to gain employment and be successful in their chosen occupations, which benefits themselves, the workforce, the community and the economy' (Mantze Yorke, 2006).

According to a definition provided by the OECD, 2017, *skills* refer to both cognitive and non-cognitive abilities and to abilities that are specific to a job, occupation or sector (technical skills). Employability is an expression that's usually utilized as a dimension by employers on graduates' marketability (De Vos, A., Hauw, D.S., Heidejn, V.B.,2011). In short, the most common image is that of the economy being in a perpetual crisis, older workers remain in the labor market with permanent contracts while young people are struggling to find space: the slogan "old in, young out" is a reflection of the current perception (Abburrà, 2012).

Employability skills: Those cognitive, affective, psychomotor, teachable, and basic skills necessary to get, keep, and succeed in a regular job along with flexible and dynamic employer demands (Mohd Puad, 2012). Technical skills are combinations of cognitive and non - cognitive skills used to accomplish specific tasks (Margolis, 2014). Three main elements in employability skills are as follows: (1) fundamentals skills, which include: communication skills, information management skills, mathematical skills and problem-solving skills, (2) personal management skills which include:

skills in a positive attitude and behavior, responsibility skills, adaptation skills, continuous learning skills and occupational health and safety skills, and (3) *teamwork skills* including: skills to work with others in the team and skills to participate in projects or assignments ( Hillage & Pollard,1998, p. 2).

Training of recruits can be classified as behavioral and cognitive approaches. Cognitive methods, which are also referred to as off job training methods provide verbal, written and conceptual information on how to carry out activities (Kumar *et al.* 2017).

## **HEIs Higher education and employability**

Highly educated and skilled people are in great demand in the globalized world. The importance of HEIs higher education institutions in equipping students with the right skills has positioned it as a catalyst for economic growth (Munap *et al.* 2015). Various ways through which graduates can benefit from work-place activities include informal learning (experience-based learning and incidental learning); self-directed learning and formal organizational learning (Foley 1999, Marsick and Volpe 1999, Senge 1990, Marsick and Watkins 1999, Hager and Halliday 2006). According to Mallon *et al.* (2005) and Doornbos *et al.* (2008), the world of work is more concerned with informal learning rather than the formal education and academic qualification. "Universities are increasingly required to produce highly mobile graduates able to respond to the ever-changing needs of the contemporary workplace" (Andrews, 2008, p.411).

Trilling and Fadel (2009) showed that the graduates of high school, diploma and higher education lack of competences in these following aspects: (1) oral and written communication, (2) critical thinking and problem solving, (3) work ethics and professionalism, (4) team working and collaborating, (5) working in different groups, (6) using technology, and (7) project management and leadership. Students must be better equipped with the necessary skills for both employability and global citizenship (Brennan, A.; Dempsey, M; 2018).

Hansen (2015) asks this rhetorical question: Are we training students for more successful careers, or are we cultivating more learned minds for the sheer joy of learning?" (Hansen, 2015, p. 76). Hansen (2015) notes that "this long-lived debate simply evaporates when you listen to liberal arts college students and watch their performance on the job market" (p. 76). Claxton and Lucas (2012) argue that vocational education is not an education track specifically for the less able and, speaking in practical terms, suggest that all college and university programs are a type of vocational training. Wardani, et al. (2016) revealed that the development and competition of the industry increasingly demands that vocational school graduates to have hard skills and soft skills. Therefore, we need to transmit an acquisitive orientation to young people, not so much to find a single job opportunity, but to guide them and provide them with the tools necessary for the construction of a work path, which would be both coherent and influential over time with regard to unstable employment (Bertolini, 2012).

## **What causes skill mismatch**

*Skill mismatch* at the macro level refers to the gap between the (aggregate) supply and demand for skills, typically with reference to a specific geographical unit (region, country

or country group), and to the fact that observed matches between available workers and available jobs offered by firms in terms of skills and/or qualifications are sub-optimal (Brunello, G., & Wruuck, P. 2019). Skill mismatch at the micro level occurs when workers have a level of skills that is different from what is required for their job (Brunello, G., & Wruuck, P. 2019).

Up skilling moves quickly today, in a 'disrupted' workplace, which is seeing skill sets changing to meet the needs of the digital economy (Gray 2016).

Skill shortages are usually defined as instances when the demand for a skill exceeded the supply of available people with that skill at market -clearing wage rates (Veneri, 1999; Cedefop, 2010). Richardson (2007, p. 7) has proposed the following system for defining skill shortages:

- there is a shortage of individuals with the relevant technical skills who are not already using them and it takes a long training time to develop these skills;
- there are few people who have sufficient skills and are not already using them, but such skills can be developed relatively quickly.

As Stigler (1961) observed, the higher the level of education the better defined the set of jobs a worker can obtain and the better the information individuals have about the nature of the labor market. Büchel (in Cedefop; Büchel, 2001) advocated regarding overqualification as a result of a decision-making process by both employers and employees. According to the Richardson, (2007) the duration of a shortage will be longer the more complex and skill intensive the vacancy, so it could vary across sectors and occupations.

Job quality in terms of involvement and discretion is associated with positive outcomes on both the company, national and individual level. From a managerial point of view, this may increase business performance because higher involvement draws on the employees' creative abilities

(Felstead et al. 2016: 4)

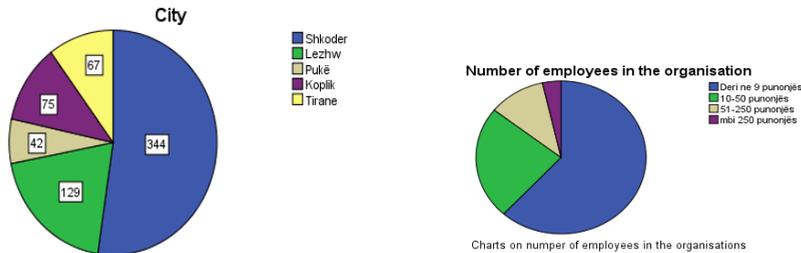
Learning over the life course can play a crucial role in adjusting to changing labor markets and life conditions (Barabasch 2014)

First destination employment for any graduate is challenging as competition is high (High Fliers 2018). Robert Gordon University was the top University in Scotland for graduate prospects (Guardian 2017). Its previous vision for employability was '*for its graduates to be recognized as the most fit-for-work, innovative, creative and engaged participants in the labor force and the economy, and for the university to be recognized for its close engagement with employers*'. (Walker, 2014). However, skills requirements are evolving (Hamill, 2018) meaning changes are required in order for employees, future graduates, to be 'work ready' (Bremner 2017), where it was highlighted that workplace skills are disrupting with digital and soft skills becoming a highly commonplace necessity. Bremner (2017) previously highlighted 'traditional graduate skills have to be transferrable and attribute based inclusive of; communication and interpersonal skills, team working, intellect and problem solving, critical and reflective ability, adaptability and risk-taking if organizations are to 'proact' to change'. Successful organizations have to create space to their staff, in order to let them to do their best, and show what they are well known of doing (Kraja, Borici, Y. & Osmani, E. 2013). Teipen 2017), have studied job flexibility, autonomy and learning opportunities among video game developers, and found that they are similar across regimes. Furthermore, a more recent quantitative study of job quality and satisfaction among female part-time workers compared to female full-time workers conducted by Gallie et al. (2016) demonstrates similar levels of lower job learning and task discretion

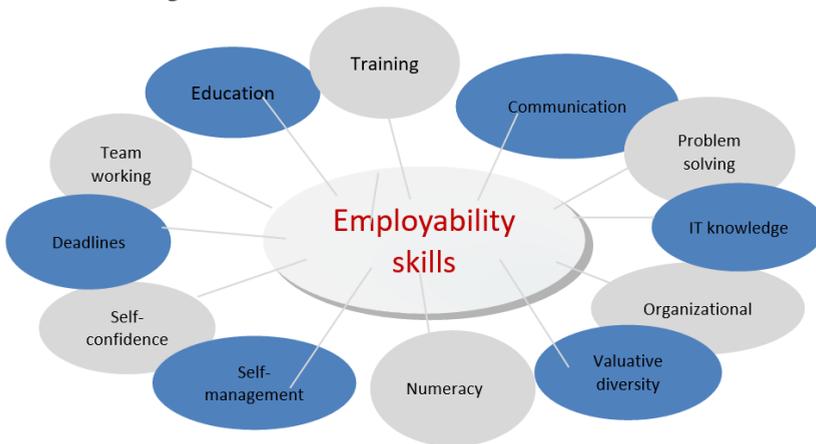
among this group across liberal, social democratic and coordinated regime.

**Analysis of data:**

Data analyses is done by using SPSS statistics version 23. Study consists of a final sample of 657 participants (employers) from different organizations, public or private one's, or even NGOs.



Based on the data above it is seen that most of the employees are engaged in work in the small organizations, till to 9 employees. The questionnaire is filled up by the people that were responsible for recruiting employee, like owners, managers, directors, members of recruiting committees, etc.



*Chart 1: Prepared by the author.*

It was conducted an exploratory factor analysis using the method of analysis with rotation Varimax, that determines the number of the questions that will be in one factor.

*Table 1: Component Matrix- Varimax method*

	Component 1	Component 2
Education		.740
Trainings		.778
Communication skills	.773	

Problem solving skills	.653	
Working well on team	.747	
Having self confidence	.842	
Planning & organizational skills	.801	
Working under pressure and deadlines	.746	
Numeracy	.807	
Self-management	.714	
Valuating diversity and differences	.802	
IT skills	.736	

Questions are measured by Likert scale from 1 - 7 ". 1. Extremely unimportant; 2. Unimportant; 3. Slightly important, 4. Moderately important, 5. Important, 6. Very important; 7. Extremely important.

As it is obvious by the Table 1: Component Matrix- Varimax method, there are two components. Hard skill is measured as average of two questions regarding education and trainings, Cronbach alpha for the questions of hard skills was computed and it resulted 0.695. The other component, named soft skills, is based on ten questions regarding the communication skills, problem solving skills, team working, having organizational skills, self-confidence, self-management skills, numeracy skills, valuating diversity and differences, IT skills and having the skills workind under pressure and deadlines. Cronbach alpha in this case is 0.920, those are good enough to go on with analyze. These two components explain 61,896 of total variance. Hard skills component explains 15,10 % of the total variance, while the other one, soft skills explain 46.79 % of total variance. To measure the hard skills are included two questions, while to measure soft skills are included 10 questions. Cronbach alpha for the questions of hard skills result 0.695, while Cronbach alpha for questions of soft skills is 0.920.

Using the Pearson Correlation, it was seen correlation of the two independed variables, soft skills & hard skills.

**Table 2: Correlation "hard skills " and "soft skills",**

Variable	1	2
1	1	
2	0.382**	1

\*\* Correlation is significant at the 0.01 level (2- tailed)

\* Correlation 0.05 (2-tailed)

It is obvious by the date on the table above regarding the correlation, it is according to the rules.

**Table 3: Multiply rregression analysis for dependent variable "employability"**

Model	B	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		Std. Error	Beta			
1	(Constant)	1.770	.182		9.718	.000
	Softskills	.374	.034	.408	11.128	.000
	Hardskills	.138	.030	.169	4.595	.000

a. Dependent Variable: Employability

$$\hat{Y} = \beta_0 + \beta_1 x_1 + \beta_2 x_2$$

$x_1$  = independent variable "soft skills"

$x_2$  = independent variable "hard skills"

$x_3$  = dependent variable "employability"

Using the unstandardized regression coefficient, or beta, multiply regression equation can be presented as follows:

$$\text{"employability"} = 1,770 + 0,408 \text{"soft skills"} + 0,169 \text{"hard skills"}$$

By the multiply regression it resulted that independents variable explain 24,6 % of the dependent variable. This result it is not by chance (adjusted R square =0.246). Both coefficients are positive and have positive impact in the employability. But it is worthy to underline that coefficient ( $\beta_1=0,408$ ), is higher than coefficient  $\beta_2=(0,169)$  this means that independent variable soft skills have greater impact on being employable that the independent variable hard skills. Results shows that regression model,  $F=107.098$  is significant for the ( $p=0,00$ ), p that is smaller than 0,05. By the t test of the regression individual coefficients it was taken the same results ( $t_1=11.128$  and  $p=0,000$ ;  $t_2=4.595$ , and  $p=0,000$ ).  $H_1$ : It is not supported.

### Conclusions and recommendations

Based on the data analyses it was concluded that in Albania, the employers are recruited based on their skills, especially soft skills. That means that employers are looking for people with ability to communicate, to solve problems, to work well on teams, to have self-management and self-confidence, to have organizational skills, to have the ability to work under pressure. Degree can put everyone in line while skills can help them to advance in career. Hard skills and soft skills, both are important. Nowadays there is need to produce graduates with skills for their future enhancements and good work. The quality of diplomas should be improved. It could be concluded that a degree from a well-known institution embeds skills but this may not be the case in most of the institutions in developing countries

Our economy is suffering with an awfully low employability. Based on the analyses may be concluded that one of the main reason for such low employability rate - and which is really important to underline is the lack of stability regarding the political decision making pertaining to the employability issues.

In developing countries, degree without skill can work but in the developed world it might not work because they prefer skills not a degree. It can vary from country to country.

It is essential that all stakeholders as: government, higher education, vocational education, NGOs and other social actors build up strong and continuous strategies to enhance employability skills of the workforce and minimize unemployment through training programs. Higher vocational education has the responsibility to provide

graduates with knowledge in the professional field with intellectual skills and ability to apply theory to practical situations

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