A Study Of Impact Of Business Communication On Employability Of Management Graduates Using Factor Analysis

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Abstract — In today's highly competitive job market, the importance of strong communication skills cannot be overlooked. It has a direct bearing on the success ratio of a candidate in his placement journey. The paper outlines the importance of communication and its relation to the employability prospects of a candidate. The paper is written with an aim of fortifying the understanding of being well versed in communication skills and ascertaining the impact it has on the successful placement of students. In addition, it also analyses whether the students of metro have an added advantage over the students coming from Tier 2 cities. To fulfill the objectives of study different statistical techniques like reliability analysis, factor analysis and descriptive analysis have been used. The primary data which was collected through a self-constructed questionnaire has been used for the study.

Index Terms— Exploratory Factor Analysis, Business Communication, Factor Analysis, Reliability Analysis, Employability, career, placement

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1 INTRODUCTION

Communication is understandably the process of transferring some advice/instruction/clues/data/message, etc., from an individual, place or group to another. Though, it may sound simple to many, if not undertaken effectively, it may lead to chaos and loss of reputation and revenues in many cases. To communicate in a proper manner means not just conveying one's thoughts clearly, but also eradicating the chances to any form of miscommunication. In today's times every organization, whether it is a multinational company or a startup relies on effective business communication for its survival. As one of the most important organizational tools, Business Communication intends to foster interpersonal skills, avoids any form of confrontation in the team and leads the employees to achieve common organizational goals. The objective of this research paper is to create a cohesive working relationship between the business communication skills and employability prospects of a candidate. We seek to understand in greater detail the impact of good communication skills and the entire process of placements. In addition, we also would be looking closely at the success rate of an employee in the organization if he possesses a strong command over his communication skills. For today's youth, getting placed after the completion of their academic pursuits is the most important objective. However, with the recent global economic slowdown, securing a desirable placement seems to be a distant dream for many. The ease of acquiring professional degrees and various certification courses has made the matters worse, by multiplying the competition at various levels of job seeking.

Many studies and researches have overwhelmingly highlighted the importance of value-based work in terms of internships, projects, etc. which enhances the prospects of the employable candidates. However, many would agree with me that the focus on fostering attributes that promote the communication skills in the students is by far the most essential factor in terms of employability/professional sustainability. The employers ideally expect the candidates to be technically competent in their respective fields, at the same time desiring them to manifest a wide array of soft skills that encompasses effective communication, team work, decision making, to name a few. It is also seen that the communication skills have an effect on the growth rate of an employee in the organization, even in those cases where the nature of work is such that the communication skills have a very insignificant role to play in the duties/functions discharged by the employee. The communication skills of the employee have now become one of the most crucial skills desired by the organization. The candidate is not able to clear the initial screening rounds of the placement process if the above-mentioned skill is not in place for the candidate. It has been observed that the university career service in most of the occasion customarily seeks to promote the conversational skills of students, albeit the success of it depends very largely on the endeavors of the student community themselves. A more pressing concern facing us today is the role of colleges and universities in equipping our students with the requisite soft skills expected from today's workforce. It is imperative for the parties involved be it employers, candidates/students, educational bodies to understand that the communication skills (both written as well as oral) do not evolve in a few days. It takes consistent efforts of all the parties in question and value-based learning opportunities of significant duration integrated into the curriculum. The students of today's dynamic era are painstakingly aware of the need to hone their Business Communication skills to explore a more fulfilling job position either in the open job market or the

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ongoing campus placements drive of the educational institutions. The aspiring job applicants have categorically recognized the necessity of being competent in the English language (both in oral as well as written modes).

2 LITERATURE REVIEW

Communication, from a management point of view, is the process by which people are informed and guided to achieve the best results. To communicate effectively means not only putting your thoughts in order and presenting them in an accessible way but also expressing them in a way that would capture the attention of the receiver. (Beattie and Ellis A 2014- The psychology of language and communication London: Psychology Press). Some graduates and their employers say more could be done to develop student's wider skills and attributes, including team working, communication, leadership, critical thinking and problem-solving. These are collectively known as Employability Skills (Employer's perceptions of the employability skills of the new graduates- Kevin Lowden, Stuart Hall, Dr. Dely Elliot, Jon Lewin). Effective communication requires skills and their development requires practice. Wanting to express both content and intention we are learning the language of logic and emotion – the latter being by far the most powerful and most motivating effect. We seek to understand the intent of communication without prejudice. (The role of Communication in enhancing work effectiveness of an organization- George Bucata, Mexandra Marius Rizescu) Communication is more a matter of trust and acceptance of others, their feelings and ideas that are different and that, from their point of view, have the same intellect. (Ruck, K & Welch , M 2012. Valuing Internal Communication; Management & Employees Perspectives. Public Relations) For effective communication the receiver must understand the message in the same sense as intended by the sender. The vast majority of national language has ensured everyday communication and it does not seem that these functions should be taken over by different codes. Business Communication is internationalized by globalization tendency. (Effective Business Communication: Key to success- Divya Munjal June 2017). It is resumed that most students are not good at speaking, particularly in expressing their views and to respond immediately in English. It is commonly noted that though the students have passed their disciplinary subjects without any arrears they are not prepared to speak in English. Gauthaman, an IT faculty revealed that the students are not exposed to business communication. Savitha, an IT faculty further commented that the students' lack of preparation to communicate in English has been the major drawback for them for not attending the recruitment drives. Gowri, another IT faculty continued that all the students need to be placed in the on-campus placements, otherwise it will be very difficult for the students to get the job placements in the open job market. The IT and English Head expressed their consent to teach business English and interpersonal skills as they need to successfully convince and negotiate their interviewers. The technical students specified that they need to essentially improve English communication skills for seeking placement. All the stakeholders specifically insisted that they need to

incorporate language skills and content-based learning. As it is suggested the students need to possess disciplinary technical knowledge with speaking and writing genres, skills and tasks, the present syllabus is specified with the content, methodological and pedagogical orientations to satisfy the specific needs of the course. (English for Placement Purposes: Developing a Needs-Based Course for Meeting the Employment Demands of IT Industries -Jabbar Al Muzzamil Fareen- January 2017)

3 NEED OF STUDY

The findings and observations of the various studies have suggested that the researchers have identified the correlation between effective communication skills and placements. However, there remains a gap that needs to bridge. This is widespread speculation that candidates with good conversational abilities are placed quickly. However, the main concern of the students/candidates is not taken into consideration to form a decisive opinion. This research paper objectively targets the close working relationship of strong communication skills and placements and growth in the organization from a post-graduate management student's point of view. The study aims to help the concerned parties understand the significance of communication skills in the respective functions the students have joined post their placement. The study also analyses the advantage if any that the metro cities students have over the Tier 2 city students.

4 RESEARCH METHODOLOGY

4.1 OBJECTIVES OF STUDY
1. To find out importance of business communication in current professional environment.
2. To study the determinant for strong communication skills and its impact on their appraisal.

4.2 SOURCE OF DATA COLLECTION
Primary data has been used to draw the conclusion for current study. A self-constructed questionnaire was administered to more than 100 students and 200 professionals (MBA students and professionals having less than 5 years of experience in industry in Delhi-NCR) to obtain data for study. Out of 300 questionnaires only 238 could be collected (87 from students and 151 from professionals). Due to incomplete responses and not proper responses only 180 were used for final study.

4.3 STATISTICAL TOOLS USED
SPSS software was used to perform statistical analysis of the data collected through the questionnaires. The Statistical tools used are descriptive statistics, reliability analysis, and factor analysis.

5 ANALYSIS AND INTERPRETATION
Primary data were collected using a self-constructed questionnaire. The methodology used includes descriptive statistics, reliability analysis and factor analysis. To measure the internal consistency and reliability of the responses **Cronbach Alpha** has been used.

$$\alpha = \left(\frac{K}{K-1}\right)\left(1 - \frac{\Sigma_{i=1}^{k}\,\sigma_{yi}^{2}}{\sigma^{2}\,x}\right)$$

Where
k refers to the number of scale items
σ_{yi}^{2} refers to the variance associated with item i
$\sigma^{2}x$ refers to the variance associated with the observed total scores

5.1 Reliability Analysis

The reliability analysis result showed that the Cronbach alpha was 0.83 therefore; there were internal consistency of the scales. Hence, this instrument used in this study had a high reliability value.

5.2 Factor Analysis

Factor analysis was used to reach the close constructs. KMO test was conducted to check whether the data is suitable for factor analysis. Factor analysis was used to construct the new factors affecting placement of candidates (students in the study) and Promotion of existing employees. Bartlett's test of sphericity and the Kaiser-Meyer-Olkin measure of sampling adequacy are both tests that can be used to determine the factorability of the matrix as a whole.

Table 1: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.746
Bartlett's Test of Sphericity	Approx. Chi-Square	894.766
	Df	335
	Sig.	.000

The results value of Bartlett's test of sphericity is significant (p<0.001, p=0.000). In addition, the

Kaiser-Meyer-Olkin measure is 0.746 which is greater than 0.6. Anti image matrices are used to check individual factor sample adequacy. There are totoal 36 variables which have been used while constructing the questionnaire. Following table shows the value Anti-image correlation of the factor with itself. The value of anti-image correlation should be more than 0.5. In the following matrices will can see that there are factor have anti-image correlation value and communality value which is low than desired. So these factors will be deleted to run factor analysis again. (All the factors having less than 0.5 anti-image correlation value have been removed).

Table 2: Anti-Image Correlation Matrix

Factor coding	Factor	Anti-Image correlation value
A1	Mock Personal interview	.563[a]
A2	Current Affairs module	.433[a]
A3	Communication course	.793[a]
A4	Refresher course on specialization	.326[a]
A5	Basic etiquette	.437[a]
A6	Mathematical and Reasoning	.771[a]
B1	Course Knowledge	.563[a]
B2	Verbal Communication	.733[a]
B3	Ability to express	.793[a]
B4	General Knowledge and current affairs	.726[a]
B5	Non verbal communication/ gestures	.837[a]
B6	Interview Preparation	.771[a]
C1	Home Town	.393[a]
C2	Education (From schooling to university)	.723[a]
C3	Exposure	.417[a]
C4	Mock interview sessions	.326[a]
C5	Attending seminars and conferences	.494[a]
C6	Communication curriculum at university level	.760[a]
D1	Teaching Methodology	.838[a]
D2	Mock interview session	.807[a]
D3	Application based curriculum	.835[a]
D4	Inclusion of workshops, conferences and seminars on communication	.753[a]
D5	Increasing credits of business communication course	.721[a]
D6	Role plays, etiquettes, Email formats	.730[a]
E1	Communication and presentation skills	.563[a]
E2	Leadership style	.733[a]
E3	Knowledge	.793[a]
E4	People's Management	.726[a]
E5	Problem Resolution skill	.837[a]
E6	Dressing sense	.771[a]
F1	Exposure/impression to senior management	.763[a]
F2	Client Handling	.733[a]
F3	To be more visible among your peers	.693[a]
F4	Promotion	.326[a]
F5	Getting important and critical assignments	.837[a]
F6	Written communication	.726[a]

Following table displays the total variance explained by seven factors related to communication which affect employability and progress in current working scenario. Only the variables

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which have initial eigen value more than or equal to 1 have been retained. Total variance explained by these factors is 68.876%.

Table 3: Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	11.737	32.602	32.602	11.737	32.602	32.602	4.287	11.908	11.908
2	3.589	9.971	42.573	3.589	9.971	42.573	3.835	10.653	22.562
3	3.210	8.915	51.488	3.210	8.915	51.488	3.656	10.155	32.717
4	2.671	7.420	58.908	2.671	7.420	58.908	3.605	10.015	42.732
5	2.096	5.821	64.729	2.096	5.821	64.729	3.187	8.852	51.584
6	1.983	5.508	70.237	1.983	5.508	70.237	3.168	8.801	60.385
7	1.758	4.883	75.121	1.758	4.883	75.121	3.057	8.491	68.876
Extraction Method: Principal Component Analysis.									

Following table shows the results of varimax rotation method. As per the table Factor 1 comprises of variables A1, B5, B6, D6, E1 and E6, factor 2 comprises of the variables A3, D3, D4, D5, factor 3 comprises of the variables A3, A6, B1, B4 and C2, factor 4 comprises of the variables B3, E2, E4, E5, F1 and F2, Factor 5 comprises of variables B2, D1 and F6, Factor 6 comprises of the variables C1 and C2 and Factor 7 comprises of F4 and F5.

Table 4: Rotated Component Matrix[a]

	Component						
	1	2	3	4	5	6	7
Mock Interview session	.927						
Dressing Sense	.927						
Communication Presentation Skills	.927						
Role Plays, Etiquettes	.643						
Interview Preparation	.643						
Non Verbal Communication	.621						
Increasing credits on Business Communication		.898					
Communication course		.898					
Inclusion of workshops, conferences and seminars on communication		.898					
Application based curriculum		.575					
Course Knowledge			.765				
Education (From Schooling to university)			.765				
Communication Course			.661				
Mathematical & reasoning			.634				
General Knowledge & Current affairs			.634				
People's Management				.864			
Client handling				.864			
Ability to express				.627			
Leadership style				.627			
Problem solving skills				.539			
Impression on senior Management				.539			
Written communication					.980		
Teaching Methodology					.980		
Verbal communication					.980		
Home Town						.970	
Education (From schooling to university)						.956	
Promotion							.871
Getting important & critical Assignment							.779

So we can see that seven new factors have successfully been constructed using factor analysis and assigned as the factors affecting working environment and job security in students and professionals. Following table shows the names of newly developed variables and percentage of variance explained by each of the factors.

Total Variance Explained				
Factor	Factor Name	Rotation Sums of Squared Loadings		
		Total	% of Variance	Cumulative %
1	Employability Factors	4.287	11.908	11.908
2	Curriculums Proficiency	3.835	10.653	22.562
3	Academic Proficiency	3.656	10.155	32.717
4	Interpersonal skills	3.605	10.015	42.732
5	Exposure and practice	3.187	8.852	51.584
6	Socio-Economic factors	3.168	8.801	60.385
7	Recognition at workplace	3.057	8.491	68.876
Extraction Method: Principal Component Analysis.				

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The above table explains the sets of skills sets and their categories which are required in current professional environment. These factors are diverse and from all spheres of life but communication are common in all. If we notice all the factors i.e. employability, curriculums and academic proficiency, interpersonal skills, exposure, social-economic factors and recognition at workplace, communication cannot be kept aside. Communication is dependent on all of the above mentioned factors. So the study identifies all the important factors which can be treated as determinants of sound communication which is in turn related to getting success in current work environment.

6 CONCLUSIONS

Good communication is a crucial instrument in maintaining strong work performance at all levels of an organization. Communication also includes a set of skills which can often set people apart from the competitors in securing new jobs or in current job. Communication is effective in team building, confidence, growth and success.

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