

# Graduate employability: whose responsibility?

Jill Blackmore, Deakin University, [jillb@deakin.edu.au](mailto:jillb@deakin.edu.au)

Ly Tran, Deakin University [ly,tran@deakin.edu.au](mailto:ly,tran@deakin.edu.au)

Mark Rahimi, [mark.rahimi@deakin.edu.au](mailto:mark.rahimi@deakin.edu.au)





# Projects

- ▶ ARC Linkage with IDP Ltd on
  - ▶ *Why Australian employers do not recruit Australian international graduates in accounting, engineering and nursing*
  - Tracked Australian international graduates in accounting, nursing and engineering
  - Interviewed 34 employers across above small, medium and multinational industries
- ▶ Project funded by the Global Research Perspectives Program of Certified Professional Accountants Australia
  - ▶ *Cultural understandings of employability in accounting of employers in China and India.*
  - ▶ Shanghai, Beijing, Delhi and Mumbai
  - ▶ Employer Interviewees included a range of mid and large companies, national and multinational
- ▶ Gribble, C. Blackmore, J. Morrissey, A. and Capic, T *Investigating the use of IELTS in determining employment, migration and professional registration outcomes in healthcare and early childhood education in Australia.* IELTS.

# Why international graduates not employed by Australian employers: supply/demand and policy issue

## Permanent residency a key driver of choice of study destinations

- Majority of our interviewees and survey participants wanted to remain in Australia at least temporarily (aspire for job in Big 4, public hospitals or multinational engineering)
- Mobile generation uncertain about where they will end up working
- For Chinese students, family responsibilities weighed heavily

*“I want to get PR (Permanent Residency) here, that’s what I want, because I want to change my life.” Chinese student*

## Australian employers reluctant to sponsor international graduates

- Competitive graduate labour market
- Sponsorship risky, costly and complicated
- Many firms will only consider applicants who have PR
- Many employers see international graduates only seeking PR and not also gaining and developing skills
- Some international graduates effectively navigate the system to secure PR (egg NAATI, Professional Year, high level IELTS, )

# Labour markets for accountants in India and China

- ▶ Despite apparent slowdown of the Chinese economy there is still a significant growth in demand for accountants in both China and India
- ▶ Accounting is becoming increasingly diversified as a field and competitive and now covers a range from management through to financial advice
- ▶ Most returning international graduates do not get employed in area of specialist training in accounting
- ▶ Demand is greatest for more skilled and experienced accountants (5-10 years out) in India, China and Australia,
- ▶ Chinese policies now focusing on return diaspora

# Employer perspectives: multiple layers

- ▶ educational credential indicated technical and professional knowledge
- ▶ 'soft' skills of 21<sup>st</sup> skills of employability (communication, team work, problem solving, intercultural competence, critical thinking...) in a technology driven workplace
- ▶ valued work experience, internships ('experiential capital')
- ▶ wider experiences eg. travel, volunteerism
- ▶ attitudes:
  - ▶ Employers consider many Chinese and Indian graduate returnees tend to have high or unrealistic expectation of their employment and remuneration ie enter at higher level and be paid more
  - ▶ Chinese employers considered returning international graduates (RIG) lacked ability and a willingness to work under pressure, worked more slowly than locals and lacked the 'competitive' spirit needed to operate in Chinese workplaces and labour market.

- 
- ▶ So they would prefer him to be, in the initial phase, a generalist rather than a specialist. So his aptitude, his adaptability, his up-skills, whether he's a team player, does he get on well with the team? What sort of attitude does he have? All these things, so a mix, a blend of all these things is what the company is initially looking for. After six months industry practice... students often get recruited
    - ▶ (India, BSE focus group).
  - ▶ Graduates who have got strong communication skills and initiative, so people who've demonstrated initiative, people who are comfortable in freely expressing their ideas on things and while still working in a team environment.
    - ▶ Midsize engineering company, Australia
  - ▶ Because this person has curiosity, the ability to learn, the cross-domain thinking ability, and the ability to get along with other people. We use these four criteria to test a person's potential.... Of course, the first step is still resume screening. Usually 70-80% resumes are eliminated in this first step (ROHU, China).

# Communication skills: English language?

## Australian employers

In Australia, English language skills and communication were critical

- ▶ graduates who have confident command of English and can express their ideas freely in a team environment and are able to span a range of workplace situations (eg shop floor, client meeting, lunchroom, etc)
- ▶ Written communication skills in appropriate tone and style

*We are looking for staff who we believe are articulate and confident enough with their English language that they can actually work in an Australian hospital where nurses are notoriously tough to each other.*

*. senior manager, large Australian nursing recruitment agency*

## India and China

English language skills important in accountancy labour market

- In India, English language skills assumed.
- international Chinese graduates considered do not develop adequate English proficiency during their overseas study as they socialise mainly with co-nationals.
- Chinese universities are enhancing English skills of graduates and partnering with foreign universities to offer courses in English
- reducing the gap between international and local graduates in English language competency.

## Employer preference towards local graduates in accounting

- ▶ Local graduates were seen in China, India and Australia as having distinctive advantages as they possessed local knowledge around regulations and practice, skills and capabilities (depends on scope of business)
- ▶ Local graduates from top universities in China and India asking for salary nearly as high as international graduates.
- ▶ overseas qualification is less distinctive and does not give international graduates the competitive advantage as before.

*We have found that overseas students have global visions and better overall qualities, but they may not necessarily have better adaptability to the local environment or have better professional knowledge than the local students. It's just a polarised situation: top students are really excellent, and many students are in a low level. (DIDI, China)*

# Recruitment: other rules of the game

- ▶ In both India and China
  - ▶ recruitment occurs through graduate markets on campus, advertisement on line, brokers/consultants, internships or internal referral.
  - ▶ Indian employers of chartered accountants only consider Stanford, Harvard or similar international credentials in UK of equal status to top Indian schools of accounting
  - ▶ the majority (80%) of applicants rejected against preconceived criteria through computer programs
- ▶ In Australia
  - ▶ A number of stakeholders said attitudes of Australian employers acted as a barrier to employment (racism)
  - ▶ Many participants in Australian study experienced discrimination in some form during their time in Australia.

# 'Best Fit'

- A key aspect in China, India and Australia was 'cultural fit' or 'best fit'
- People recruit people like themselves as they feel more comfortable socially (affinity bias)
- Rationale is the need to have amicable working teams, feeling comfortable and complementing existing skills and someone who integrates 'seamlessly' into organisation and adapts to company culture

*"You don't want to employ people that won't fit your culture and/or the skill set, because if you hire a dumb bunny it really upsets the team".*

*'They won't fit in'*

*'They have to adapt'*

In India and China: hardworking, productive harmony in the workplace was important and those who will also maintain good relations with staff and clients.

- In China, *guanxi*
  - based on relationships with mutual benefit developed over time
  - additional connections within networks for work-related purposes and therefore a resource
  - International graduates are perceived to possess dual *guanxi*: the established *guanxi* associated with their family and home context and business-related *guanxi* built through transnational networks.

# 'Best fit' or diversity?

- ▶ Algorithms which do first cut In large firms re fit build on historical data base and therefore biased towards males
- ▶ Unconscious/affinity bias: particularly round gender but also around racial or ethnic diversity
- ▶ Employer reluctance to recruit IG because
  - ▶ easier to fit the individual into current organisational culture (rather than changing culture to make it more inclusive of difference )
  - ▶ requires active intervention in current practice to create a more inclusive environment
  - ▶ builds on stereotypes (used vs women as well as minority groups eg. passivity of Asians in Australia)
  - ▶ requires additional support (eg. Induction, Mentor)
  - ▶ fails to recognise the cultural capital of the applicant except for the multinationals



*I mean we talk about workforce diversity and the need to bring in people from different cultures and the different skills they can bring, but it's also important to have compatibility. So if you've got people flooding in from England and Canada and America who can step into the role and fit in quite quickly it's probably an easy decision for the recruiter. Now that's probably at the risk of ignoring really good people who take a little bit longer to get to know and that could be a problem.*

**Peak Engineering Body, Australia**



## Recognising the Benefits of international graduates

*Yeah, they are very keen to please for obvious reasons. I think they realise that they are lucky to have scored a job with a company here. So they're very eager to please. They're generally very quick learners. They're smart.*

**Human Resource manager, midsize engineering company**

### **Employer attitudes**

- ▶ those who do hire international graduates are often very satisfied.
- ▶ In smaller engineering firms, international graduates were often seen as possessing key specialist skills and the capacity to drive innovation in the workforce.
- ▶ In health, having a staff that reflects the diversity of patients is seen as beneficial.
- ▶ Many large multi-national firms espouse the benefits of diversity, however, strict eligibility criteria often excludes international graduates.

# Enhancing post study employment outcomes

## **Universities**

- structural support through careers services or similar service providers;
- curriculum intervention in embedding employability skills either in course content, delivery strategy or both;
- work experiences as a structured part of the curriculum;
- whole of program focus on generic skill capacity building
- English language support

## **Career Education**

- ▶ Integrating career education from first year (Deakin's Talent Portal)
- ▶ Tailored programs for international students (eg of "Get Noticed")

## **Work Integrated learning (WIL)**

- ▶ Relevant local work experience enhances employment outcomes both in Australian and home country
- ▶ International students struggle to source own placement
- ▶ Preparation is key to success of WIL for international students

## **Managing expectations of international graduates**

- ▶ Alternate pathways need to be encouraged (eg. smaller firms, regional areas rather than Big 4 or major metro hospitals)

# Students, professional providers and employers

## Students

- ▶ adjusting aspirations and planning ahead
- ▶ responsibility for reflecting on and recording their learning in a portfolio

## Professional bodies (eg. CPA Australia)

- ▶ The structure of accounting education in India with dominant providers (ICAI) makes inroads by non-Indian providers ( eg CPA Australia) difficult, despite a range of partnership models
- ▶ do not compete internationally– united approach
- ▶ form partnerships with universities and other bodies and establish on the ground infrastructure
- ▶ advertise more broadly

## Employers

- ▶ Improve their perception of the broader benefits of international education and the contribution of international students
- ▶ address issues such as affinity / unconscious bias in recruitment
- ▶ recognise the difficulties that international graduates encounter
- ▶ take the discourse about benefits of diversity seriously