Employers' Perception towards Need of Professional Skills in MBA Graduates: Evidence from Ordered Logistic Regression

Niranjan Devkota*, Malati Rana*, Seeprata Parajuli*, Udbodh Bhandari*, Udaya Raj Paudel*

*Quest International College, Pokhara University, Lalitpur, Nepal

Abstract

Background: Globally thousands of MBAs graduates annually who opt for employment opportunity in the market. It creates strong competitive job market for new MBAs. In past, the only qualifications required for jobs is technical skills, also known as hard skills; but today's hiring process indicates only technological skills do not provide adequate opportunities fresh MBA graduates.

Objectives: This study aims to analyze employers' perception on need of professional skills in MBA in Kathmandu valley.

Methods: The study adopted explanatory research design. Purposive sampling technique was used to select 280 employers from bank and financial institutions as a respondent. Structured Questionnaire was used and data collection was done with the KoBo-Toolbox. In order to analyze data, Ordered Logit Model was used to identify the perception of employers' towards need of professional skills in MBA graduates in Kathmandu valley.

Results: Findings revealed that employers seek soft and hard skills in MBA graduates. Further, Ordered Logistic Result indicates that age, education level, recommendation, adaptability skills, learning skills, conflict resolution skills and teamwork skills are the major skills statistically significant. It clearly indicates that in employers' perception soft skills have high importance than hard skills as need of professional skills in MBA graduates.

Conclusion: Following employers' perspectives, MBA colleges should priorities to provide professional skills, more focusing soft skills, to their graduate. Such skills not only help MBA students to understanding their market, but also produce readymade manpower to the job market, that reduce training and other preparatory cost of the organizations.

Keywords: Hard skills, order logistic model, perception, professional skills

JEL Classification: J24, A23, J44, O15

Introduction

People's yearning for a higher education standard around the world is steadily increasing. Higher education institutions are being added every year, and graduates are being accepted at an increasing rate. In light of graduates' ability for work or self-initiative, an increasing percentage of graduates are dedicated to the quality and value of higher education. Thousands of MBAs, both national and international, graduate each year and seek jobs in the market (Hairi, Toee, & Razzaly, 2011). While there are more career options than in many other fields and the skills acquired in almost all industries, there is a strong competitive job market for new MBAs. MBA's great luster was promised often a 6-figure pay and a signing bonus. Nowadays the office found out that less than a third are seeking top positions and 13% are looking for jobs or senior management roles. In fact, the employment rate for MBA graduates in U.S. was 95 percent higher, up from 91 percent in 2012, and the highest level in the last five years (Buenviaje et al., 2016).

Historically the only qualifications required for job jobs is technical skills, also known as hard skills; but today's workforce shows that technological skills do not provide adequate opportunities for people who have right-sizing and cutting roles in organisations (Robles, 2012). Thanks to its soft skills, the current and future business leaders emphasize the development of soft skills a critical part of successful performance at work today (Robles, 2012). Given the lack of research on leadership capacity in MBA programs, it's not surprising that MBA students don't all have the same skills (Beenen, Pichler, & Davoudpour, 2018) which are regarded as because of different soft skills that each MBA graduate possess. Employers suffer financial penalties as a result of a lack of soft skills. A soft skills shortage in the UK, for example, might be harmful to the economy (Beenen, Pichler, & Davoudpour, 2018).

Training is defined as a deliberate procedure to modify attitudes, knowledge, or abilities in order to attain efficient performance in a variety of activities, as defined by learning experience. Soft-talents as a result, training can be defined as a systematic process by which an individual's soft-talents are developed. Soft skills cannot be taught; instead, they must be fostered through training, human capital management, and skill management (Choudary & Ponnuru, 2015). However, business these days has started searching candidates with the help of internet (Maharjan, 2019).

Review of Literature

One of the reasons for consecutive organizational successes is the management skills. Efficiency of management requires management skills. Triple leadership skills are used to clarify future educational and management selection (Seyedinejat, Razaghi, & Dousti, 2014). Skills often include personal, non-academic, lifelong, interpersonal, employability, behavioural, non-technical and social competencies, and emotional intelligence (Ravindran & Bandara, 2015). A set of skills addressed in different names and

defined by different definitions; often confused with common skills. There is therefore a need-to-know hard skills to distinguish the soft skills (Ravindran & Bandara, 2015). Career management abilities needed to proactively handle the workforce and successfully manage the career-building process based on attributes such as lifelong learning and adaptability might be articulated with the recent shift from the job market to current role-and-trust. Nonetheless, universities' capacity for student career development remains largely untapped, and many universities remain unfulfilled (Robles, 2012; Sabir et al., 2019). Technical procedures or practical tasks in the workplace are frequently straightforward to see, quantifying, and measure, and hence are considered hard skills. When fresh graduates obtain the requisite qualifications in college, it is rather simple to teach them in these abilities. Soft credentials, often known as "management skills," on the other hand, are difficult to acquire despite their importance in the workplace. Personal traits, leadership capacity, and issue management and decision-making are the three basic categories in which these abilities are usually classified (Shakir, 2009).

Diplomas have a direct and indirect impact on their knowledge and skills earned through the MBA program in terms of personal and professional growth. People participate in various topics and issues on the international market, as well as in the company's business performance, as technology advances. You will make a contribution to the company (Buenviaje et al., 2016). To be 'employable,' a person must have transferrable talents. Managers specify a number of talents from an employee they like in addition to good technical grasp and expertise (Devkota et al., 2021). It's similar to teamwork, problem solving, self-management, business knowledge, post-coordination literature and numeracy, ICT knowledge, the capacity to use one's own initiative while also following directions, and leadership abilities where applicable (Gowsalya & Kumar, 2015). MBA students and colleges should focus on increasing communication skills among graduates, according to Bhandari et al. (2021). Similarly, in today's computerized corporate world, employers want graduates with good typing abilities. The majority of Nepalese businesspeople and companies believe that an individual should have an MBA in order to enhance his career. This principle is primarily based in the business school programs in Nepal which uses traditional instruments like case studies, workshops, documentaries and talks. Nepalese management colleges and business school focuses on teaching theories rather than implicable actions of real life. MBA students in Nepal have a lot of knowledge but are unable to put it into practice for the same reason. Also, shortage of qualified professors and the traditional teaching styles in MBA colleges of Nepal are the main problem (Beenen et al., 2018). Although employers and experts in management education accept that the "soft skills" or interpersonal skills are an important component of successful managers' behavior (Beenen et al., 2018) there is debate in terms of the level of MBA programs along with technological (e.g., functional) and analytical (e.g., logical thinking) competences, interpersonal. Thus, this study attempts to look after several research

questions like; i) what are the professional skills employers looking for? ii) What is level of professional skills needed? As a result, the purpose of this study is to determine employee perceptions of the demand for professional skills among MBA graduates in the Kathmandu valley and to propose a managerial solution. Further part of this study is organized as: section two deals with methods followed by result in section three and final section concludes the study.

Materials and Methods

Theoretical and Conceptual Framework

Skilled based theory truly defines the skill needed in the people for various types of job position. It helps to identify the people who are able to be leader according to the skills they have. It helps to make sure what type of skills makes a good leader for the business. Second-language acquisition theories that are based upon knowledge learning frameworks of cognitive psychology are second-languages development theories. Such ideas see the learning of a second language as the same as other capabilities like driving a car or piano. In other words, preparation is seen as the key component of language learning. The best-known theory is based on the efficient control of John Anderson's learning pattern (Mumford et al., 2000). Leadership ideas aim to encapsulate what makes a good leader and how individuals can be successfully running an organization or a group. One of the main theories is a theory of skills, with which good leaders have a number of skills they have developed over time (Mumford et al., 2000).
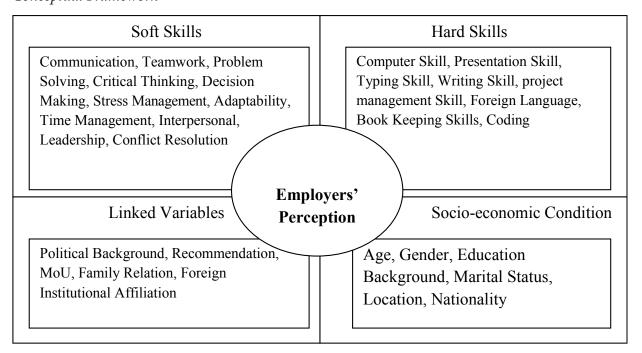
Advanced graduate study is a type of continuing professional education that is designed to meet the demands of people in the workplace and academia who want to improve their knowledge and abilities. Many ideas directly link education to the significance of investing in human capital generation as a method of achieving economic development and productivity growth (Cooke, Saini, & Wang, 2014). Master of Business Administration is a program designed for students interested in developing skills and competencies in functional areas such as business and business law, accounting and finance, marketing and management, strategic decision-making, and other business and societal challenges (Cooke et al., 2014). One area where MBA programs can help students enhance their business skills is in balancing scientific rigor with practical knowledge. The important components are schools. They proposed that they base their curriculum and learning after the most successful and innovative law schools (Butler et al., 2008).

As a result, soft-competency training can be defined as the systematic process of developing soft-competencies in an individual. Soft skills cannot be taught, but can only be developed by practice. Human capital management and human resources management are two processes aiming at increasing skills such as soft skills, knowledge, life skills, abilities, employability skills, and communication skills (Choudary

et al., 2015). Skill based model, knowledge and skills are recognized as developing capabilities, which are seen in as they have traditionally designed. Leader's performance is based on three main types of skills; they are complicated problems solving skill, solution skills and social judgmental abilities. There have been more and more studies which have identified a disconnection between available jobs and career-ready workforce between skills and skilled workers available to companies. One prerequisite for this break-up is the lack of skills needed by the applicants. Some skills and features change on an organizational basis according to the studies. Of example, technical skill in the organizational manager level is more important than at other ranks, which basically supports Katz's hypothesis. The human ability varies from the abilities in personal interaction (Seyedinejat et al., 2014).

Figure 1

Conceptual Framework

Soft Skills	Hard Skills
Communication, Teamwork, Problem Solving, Critical Thinking, Decision Making, Stress Management, Adaptability, Time Management, Interpersonal, Leadership, Conflict Resolution	Computer Skill, Presentation Skill, Typing Skill, Writing Skill, project management Skill, Foreign Language, Book Keeping Skills, Coding
Linked Variables	Socio-economic Condition
Political Background, Recommendation, MoU, Family Relation, Foreign Institutional Affiliation	Age, Gender, Education Background, Marital Status, Location, Nationality

Employers' Perception

Note. Modified from Gupta & Bennett (2014); Williams (2015)

Empirical Framework

The empirical framework ordered logit was used to study employers' perceptions of MBA graduates' need for professional skills. The employers' perception is shown by the coded 0, 1, and 2 in the ordered logit outcome response.

$$\Pr (Y = C/X_i) = F (X_i\beta)$$

Where Y is the response given as a result for the perception level, which is coded as 0 = less need, 1 = more need, and 2 = highly needed; F is the usual logistic cumulative function; and X is the set of independent variables. In this study, there are 17 independent variables, and the formula is as follows:

$$P\ Yi\ >\ j\ = \frac{exp\ (x_i\ \beta\ -k_j\ )}{1+[exp\ (x_i\ \beta\ -k_j)]}\quad , j = 1,\ 2...\ M\text{-}1,\ \text{which implies}$$

$$P(Y_i = 1) = 1 - \frac{exp\ (x_i\ \beta\ -k_j\ )}{1+[exp\ (x_i\ \beta\ -k_j)]}$$

$$P(Y_i = j) = \frac{exp\ (x_i\ \beta\ -k_{j-1}\ )}{1+[exp\ (x_i\ \beta\ -k_{j-1})]} - \frac{exp\ (x_i\ \beta\ -k_j\ )}{1+[exp\ (x_i\ \beta\ -k_j)]}\quad ,j=2,.....\text{M-1,implying}$$

$$P(Y_i = M) = \frac{exp\ (x_i\ \beta\ -k_{m-1}\ )}{1+[exp\ (x_i\ \beta\ -k_{m-1})]}$$

When M=2 is used, these equations become:

$$P(Y = 0) = \frac{1}{1+[exp\ (Z_i-k_i)]}$$
$$P(Y = 1) = \frac{1}{1+[exp\ (Z_i-k_2)]} - \frac{1}{1+[exp\ (Z_i-k_1)]}$$

As a result, according to Williams (2019), the ordered logit model may be used to estimate the likelihood that the unobserved variable Y* falls inside the various threshold limits using the value of Z and the assumed logistic distribution of the disturbance term. In our situation, the goal is to assess client awareness of banking communications. The empirical specification of equation I, as seen above, may be observed in equation V, which is written as follows:

$$Y = \alpha_o + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \cdots ......+ \beta_n X_n + \varepsilon$$

Where,

Y= employees perception towards need of professional skills

X= Independent Variables

ε = Error Terms

Table 1

Description of Variables

Variable	Description	Value	Expected Sign
Demographic factor			
Age	Candidate age	Yes=1; 0= otherwise	±
Gender	Candidate gender	Yes=1; 0= otherwise	±
Education Level	Candidate experience	Yes=1; 0= otherwise	±
Marital Status	Marital status of candidate	Yes=1; 0= otherwise	±
Location	Candidate location	Yes=1; 0= otherwise	±
Nationality	Candidate nationality	Yes=1; 0= otherwise	±
Linked Variable			
Political Background	Candidate political background	Yes=1; 0= otherwise	±

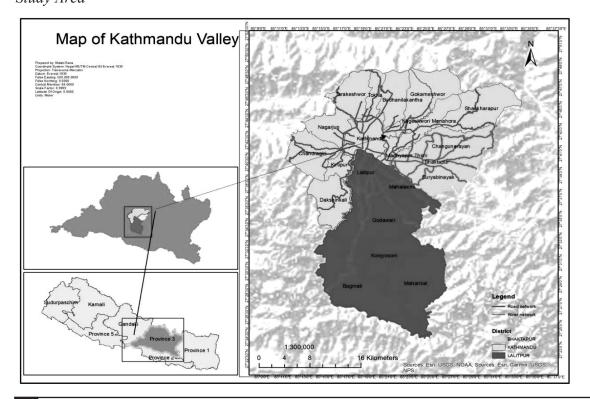| Recommendation	Recommendation by related people	Yes=1; 0= otherwise	±
MOU	MOU with organizations	Yes=1; 0= otherwise	±
Family Relation	Family relation with employee	Yes=1; 0= otherwise	±
Foreign Institution	Having degree of foreign institution	Yes=1; 0= otherwise	±
Soft Skills			
Communication	Employers seek communication skill	Yes=1; 0= otherwise	+
Team Work	Employers seek teamwork skill	Yes=1; 0= otherwise	+
Problem Solving	Employers seek problem solving skill	Yes=1; 0= otherwise	+
Critical Thinking Skills	Employers seek critical thinking skills	Yes=1; 0= otherwise	+
Decision Making Skills	Employers seek decision making skill	Yes=1; 0= otherwise	+
Leadership Skills	Employers seek leadership skill	Yes=1; 0= otherwise	+
Adaptability Skills	Employers seek adaptability skill	Yes=1; 0= otherwise	+
Time Management	Employers seek time management skill	Yes=1; 0= otherwise	+
Stress Management	Employers seek stress management skill	Yes=1; 0= otherwise	+
Conflict Resolutions	Employers seek stress conflict resolution skill	Yes=1; 0= otherwise	+
Interpersonal	Employers seek interpersonal skill	Yes=1; 0= otherwise	+
Hard Skill			
Computer	Employers seek computer skill	Yes=1; 0= otherwise	+
Presentation	Employers seek presentation skill	Yes=1; 0= otherwise	+
Project Management	Employers seek project management skill	Yes=1; 0= otherwise	+
Typing	Employers seek typing skill	Yes=1; 0= otherwise	+

Writing	Employers seek typing skill	Yes=1; 0= otherwise	+
Coding	Employers seek coding skill	Yes=1; 0= otherwise	+
Foreign Language	Employers seek foreign language skill	Yes=1; 0= otherwise	+
Book Keeping	Employers seek book keeping skill	Yes=1; 0= otherwise	+

Study Area, Study Population and Sampling

The research region is the Kathmandu Valley, which is located in Bagmati Pradesh. Because the majority of large firms are based in the Kathmandu Valley, Kathmandu is the primary city where MBA graduates go for work after completing their studies. It is situated at a height of 1,300 meters above sea level, between the latitudes of 27 ° 24'0 "and 27 ° 49'10" to the north and the ranges of 85 ° 11'31 "and 85°31'38" to the east (Maharjan et al., 2020). It covers 899 square kilometers and is divided into three areas: Kathmandu, Lalitpur, and Bhaktapur, with a total size of 665 square kilometers. The valley covers the entire district of Bhaktapur, as well as 85 percent of Kathmandu and half of Lalitpur (Adhikari et al., 2021). Most of the banks and other big industries and institutions are located in the valley itself where majority of MBA graduates are hired and these organizations better know what they look in any MBA graduates. Thus, this study chose valley as study area to generate effective output.

Figure 2

Study Area

The population for this study was the employers hiring MBA graduates. However, samples were taken from Kathmandu valley. 280 sample has been taken from the employer's hiring such graduates following $n = z^2 pq/l^2$ (Israel, 1992). Where, n= required sample size for investigation, standard tabulated value for 5% level of significance (z) = 1.96, p= prevalence or proportion of an event 50 % = 0.50. So, P= 0.5 and q= 1-p, = 0.5, Allowable error that can be tolerated (e) = 6%. So, total population for the study $n_o = z^2 pq/l^2$ = $(1.96)2 \times 0.5 \times 0.5/ (0.06)2$ = 266.78, non-response error 5%, i.e., 266.78*5/100 = 13.34. Thus, sample size taken for study was (266.78+13.34) = 280.12 ~280. As per the sample size formula, this study undertakes 280 responses from the respondents.

Research Instrument and Data Analysis Techniques

The primary data was gathered using a questionnaire survey. For data collection, a structured questionnaire was created, implemented, and circulated. For the purposes of this study, the self–administration questionnaire was used. Similarly, descriptive analysis, regression analysis, which entails analyzing personal characteristics solely on the basis of mean, median, and mode, as well as a perception level-based professional skill index, and inferential analysis, which entails structural equation modeling based on several latent constructs, were all carried out. For data analysis, STATA and SPSS AMOS software were used, as well as kobo tools for data entry and tabulation for the study.
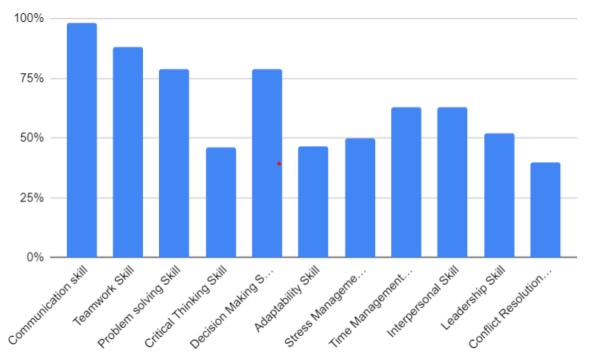
Results and Discussion

Socio-Demographic Analysis

This study revealed that maximum respondents (62.5%) were between the ages of 26 to 35 years. Similarly, among 280 respondents 53% were female employers and 47% were male that means in valley there are more female employers in comparison to male employers. When it comes to the sort of company, the majority of them work for a bank or a financial institution. It is found that 55.71% of respondents are employers from bank, 38.57% are from services sector, 1.78% from school and colleges and remaining are from insurance, industry and other sectors.

Soft Skills Considered by Employers

While considering soft skills into consideration employers were found to generally consider communication skills, teamwork skills, problem solving skills, decision making skills, critical thinking skills, adaptability skill, stress management skill, time management skill, interpersonal skill, leadership skill and conflict resolution skills. If a candidate meets the skills, then there is greater probability that they get hired.

Figure 3

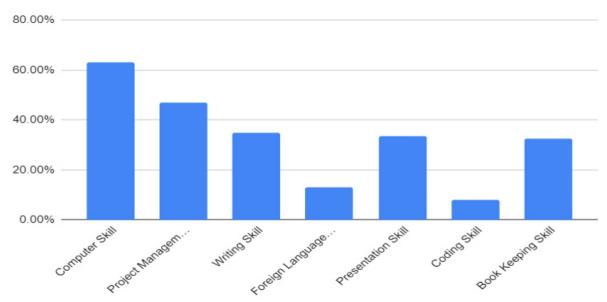*Soft Skills Considered by Employers*

The study revealed that 98% employers definitely look for communication skills among MBA graduates in the process of hiring them. Likewise, teamwork skill is considered by 88% employers as teamwork skill plays crucial factor while working in an organization, 78.75% looks for problem solving skills as well as decision making skills respectively. However, only 46% employers revealed that critical skills are looked upon while hiring employees in an organization. Also, 46.42% employers think adaptability skills are required in MBA graduates. Likewise, 50% employers' thinks graduates must possess stress management skills, time management skill (63%), interpersonal skill (62.86%), leadership skill (52%) and conflict resolution skill (40%).

Hard Skills Considered by Employers

While taking hard skills into consideration employers were found to generally consider computer skills, project management skills, typing skills, writing skills, foreign language skills, presentation skills, coding skills and book keeping skills. Employers believes that enhanced hard skills among graduates would make them better fit in the job.

Figure 4

Hard Skills Considered by Employers

This study found that 63.21% employers look for computer skills that they possess while hiring a candidate. 47% thinks that candidates must have project management skill. Likewise, only 35% think candidate requires writing skills and foreign language skill (13%) while hiring any candidate. Similarly, presentation skills (33.57%), coding skills (8%) and book keeping skills (32.5%) are considered by employers while hiring graduates.

Pre and Post Estimation Test

Under pre and post estimation we perform link test, fitstat, multicollinearity and heteroscedasticity test. After the study we found that _hat value is 0.891539 and _hatsq .0728165. It means both hat value and _hatsq is not significant. So that we can conclude that we have choose few useful predictors. For post estimation cross sectional data analysis was made. Cross-sectional data analysis involves two problems. The error terms, heteroscedasticity and multicollinearity among explanatory variables. To cope with the problem of multicollinearity, the Variance Inflation Factor (VIF) test was used. The VIF calculates how much multicollinearity in the model has inflated the variance of a regression coefficient. From the results, we can see that all the independent variables the VIF is less than 10. Likewise, the mean VIF is 1.64, which shows that the data set has no multicollinearity. Therefore, the data can be further analyzed. Heteroscedasticity indicates precise change in the spread of the residuals over the scope of measure esteems. To understand our data set, which indicates outliers in the data set, we perform heteroscedasticity test, p value is prob>Chi2 =0.0265. The assumptions show that there is presence of heteroscedasticity if the value is less than 5 %. For this we calculate Robust Std. Error to rectify the error.

Final Regression Result

The study had one dependent variable identified from the perception index, better, because it aimed to explore employers' perceptions of the need for professional abilities in the Kathmandu valley. The regression result for the ordered logistic model is shown in the table below.

Table 2

Final Regression Result

	(1)	(2)	(3)
Variables	Logit coeff	Odds ratio	Marginal effects
Employers' perception on hiring of MBA			
Age	1.016**	2.762**	-0.186**
	(0.499)	(1.378)	(0.0886)
Gen	-0.602	0.548	0.110
	(0.409)	(0.224)	(0.0733)
mar_stat	0.334	1.397	-0.0611
	(0.341)	(0.477)	(0.0618)
edu_back	-1.063***	0.346***	0.194***
	(0.346)	(0.120)	(0.0609)
Loc	0.248	1.281	-0.0453
	(0.302)	(0.387)	(0.0551)
Nation	-0.152	0.859	0.0278
	(0.293)	(0.251)	(0.0535)
polt_back	-0.157	0.855	0.0287
	(0.326)	(0.279)	(0.0594)
Recom	-1.724***	0.178***	0.315***
	(0.468)	(0.0834)	(0.0778)
fam_rela	0.801	2.228	-0.147
	(0.789)	(1.759)	(0.143)
Mou	-0.0448	0.956	0.00820
	(0.400)	(0.383)	(0.0732)
for_ins	-0.167	0.846	0.0306
	(0.357)	(0.302)	(0.0653)
inter_level	-0.825	0.438	0.151
	(1.273)	(0.558)	(0.232)
adap_level	-1.690***	0.184***	0.309***
	(0.530)	(0.0977)	(0.0979)
learn_level	-2.390***	0.0916***	0.437***
	(0.622)	(0.0570)	(0.114)
timemgmt_level	0.496	1.642	-0.0907
	(0.633)	(1.040)	(0.116)

critthink_level	0.967	2.630	-0.177
	(0.841)	(2.213)	(0.151)
com_level	-1.421*	0.241*	0.260*
	(0.757)	(0.183)	(0.139)
lead_level	-1.219*	0.295*	0.223*
	(0.656)	(0.194)	(0.119)
conf_level	-1.774***	0.170***	0.325***
	(0.577)	(0.0979)	(0.109)
team_level	2.433***	11.39***	-0.445***
	(0.574)	(6.543)	(0.105)
pres_level	0.496	1.642	-0.0907
	(0.466)	(0.764)	(0.0848)
compu_level	-0.987	0.373	0.181
	(0.861)	(0.321)	(0.158)
cod_level	-0.0116	0.988	0.00212
	(0.411)	(0.407)	(0.0753)
proj_level	0.185	1.203	-0.0337
	(0.465)	(0.559)	(0.0850)
typ_level	0.700	2.014	-0.128
	(0.469)	(0.945)	(0.0845)
foreg_level	-0.425	0.654	0.0778
	(0.395)	(0.258)	(0.0715)
bokep_level	-0.0326	0.968	0.00596
	(0.452)	(0.437)	(0.0827)
writng_level	0.629	1.876	-0.115
	(0.493)	(0.925)	(0.0895)
Constant cut1	-7.045***	0.000872***	
	(2.023)	(0.00176)	
Constant cut2	-0.728	0.483	
	(1.665)	(0.804)	
Observations	280	280	280

Note. Robust standard errors in parentheses, *** $p<0.01$, ** $p<0.05$, * $p<0.1$

Table 2 shows that there are 7 significant variables, they are age, education, recommendation, adaptability skills, learning skills, conflict resolution skills and teamwork skills that have p value less than 5%. It means increase education level the odds of being increment in employers' perception in hiring of MBA graduates will decrease by the factor of 1.063. Similarly increase in age the odds of being increment in employers' perception in hiring of MBA graduates will increase by the factor of 1.016. Likewise increase in recommendation the odds of being increment in employer's perception in hiring of MBA graduates will decrease by the factor of 1.724. Similarly increase in adaptability skill. The odds of being increment in

employers' perception in hiring of MBA graduates will decrease by the factor of 1.690. Similarly increase in learning skill, the odds of being increment in employers' perception in hiring of MBA graduates will decrease by the factor of 2.390. Similarly increase in conflict resolution skill the odds of being increment in employers' perception in hiring of MBA graduates will decrease by the factor of 1.774. Similarly increase in teamwork skill, the odds of being increment in employers' perception in hiring of MBA graduates will increase by the factor of 2.433.

Talking about coefficient in logit model, there are 6 significant variables having p- value less than 5%. If there is increment in education level then probability of perception in hiring of MBA is increased by 0.346. Similarly increment in recommendation then probability of perception in hiring of MBA is increased by 0.178. Increment in adaptability skills then probability of perception in hiring of MBA is increased by 0.184. Marginal effects are important to describe the moderate effect of change in moderating variables on the change in probability of outcomes in logistic regression and other models. Here we have 7 significant variables namely age, education, recommendation, adaptability skills, learning skills, conflict resolution skills and teamwork skills. From the result given in the above table we can say that the result shows a marginal effect of age or small change in age is -0.186. It means perception of employers in hiring of MBA decrease by 0.186. Likewise, the result shows marginal effect of education is 0.194 which indicates that perception on hiring will be 0.194 with a marginal change in marital status.

Employers' perceptions of the demand for professional skills among MBA graduates are investigated in this study. Bhandari et al. (2021) stated that every organization seeks professional skills in MBA graduates while hiring them thus, they must be well prepared with various skills required to fit in any sort of organization. Chia and Holt (2008) in this regard stated that Universities and colleges graduates' students who are not prepared for organizational challenges in real world. MBA colleges should make it a priority to provide MBA graduates with skills that will help them be more productive and efficient when they enter the corporate sector. Students, on the other hand, should equally support them. Then and only then will the process be productive (Bhandari et al., 2021). MBA students in Nepal have a lot of knowledge but are unable to use it. Professional skills are those that are learned to improve people's knowledge and capabilities so that they can improve their performance, gain confidence, be more responsible, and have a better understanding of their task and responsibilities The fundamental issue is a lack of skilled teachers, MBA colleges in Nepal, and traditional teaching approaches (Beenen et al., 2018).

Professional skills are those that are gained to increase people's knowledge and capabilities in order for them to improve their performance, build confidence, become more responsible, and have a better understanding of their task and duties (Wabule, 2016). Professional skills like; communication skills,

critical thinking skill, leadership skill, entrepreneurial skill, accounting skill are the most that organization seeks in MBA graduates. Employers prefer graduates who are fully equipped with knowledge and expertise since they will aid in the achievement of organizational goals in their respective professions (Fernando, Almeida, & Dharmage, 2016). Therefore, various vocational trainings are being provided by universities and college level in Nepal to their students so that they can groom their various skills and fit best when they enter into the job market. Though limited and traditional instruments are being followed lately, colleges have started finding new and advanced methods through which skills of students can be groomed in an effective way.

This research has certain drawbacks. This study is only based on 280 employers' perception, delimited to Kathmandu valley, and not captures other students who are perusing similar degree from other Nepalese universities and its colleges residing in study area. Despite these limitations, this study contributes significantly to future research in Nepal by updating current data and information. The current data and information will be useful in future studies as a reference point for their research and in identifying new research gaps. Knowing the study's limitations and obtaining more data from the respondents will help future research be more effective. Furthermore, future research will have more opportunity to investigate the previous variable relevant to this study, and the conclusions of this study are limited to the Kathmandu valley of Nepal, making generalization of findings impossible. As a result, it is proposed that further research be conducted in businesses on the demand for professional skills for MBA graduates in order to overcome the limitations mentioned above.

Conclusion and Recommendation

The main aim of this study is to find the perception of employers on requirement of professional skills for MBA graduates. Within the periphery of above stated problems, our objectives are to identify MBA graduates in Kathmandu Valley, to develop Professional Skill Index, to analyze factor determining MBA graduates Profession skill, to know the problem faced by employers to recommend managerial solution. Our study finds that MBA graduates' gained abilities and knowledge are reflected in their professional lives as well as in their job hunt. As a result, MBA colleges should make it a priority to provide MBA graduates with skills – specifically soft skills that will help them be more productive and efficient in the business environment, and students should serious to gain them during their MBA graduation period. Only then MBA graduates' selection process be strong and their performance will be as per demand.

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