An Examination of the Technology of Specialised Soft Skill

Sets Deployed in Business Sectors from Four Different Regions of the Globe

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Abstract

Our central objective in this paper is twofold: first, to examine the scholarly literature on the technological importance of soft skills in Business, and second, to review the major research studies on the views of employers and the industries they serve regarding the specific character and combination sets of key soft skills best suited for business professionals located in four distinct and economically vibrant major business regions of the world. The key findings have been distilled from the literature and analysed to identify patterns of congruence, with the aim of cataloguing reasonably discrete combinatorial sets of soft skills ideally suited to the specific business priorities which characterise these four different regions. The concluding section of the paper will consider the extent to which these distinct skill sets can be pedagogically developed in such a way that they become deeply embedded as foundational in the creation of an international business school curriculum, featuring five discrete sets of soft skills, each of which is ideally constructed for one of the four different regions.

Keywords
soft skills, business education, curriculum, graduate skills, technology

1. Introduction

In recent years, the world has witnessed rapid developments in technology which have dramatically transformed the nature of business transactions irrevocably. The transition has been informed and shaped by monumental changes in the interactive capabilities and sophistication of Information and Communication Technology (ICT) and its globalization (Jayaram, 2012). The Business World is now defined by new rules of engagement as it comes to grips with increasing technological advances, radically new business opportunities and the array of challenges, technological and sociocultural, which have been engendered by the ICT phenomenon. Such significant changes have necessitated business
organisations to create innovative frameworks of synergy that allow for the integration of a whole new appreciation of the role played by soft skills competencies. Soft skills have become vital pre-requisites to enhance the competitive advantage in business negotiations globally (Passaris, 2006). Against the backdrop of this increasingly globalised economic order and the internationalisation of business negotiations driven by the information revolution, knowledge explosion, and technological capability, we argue that for the workforce to remain competitive and successful at a world class level, it is critical that the standard of human resource skills be similarly elevated to meet the needs of a far more intensely “inter-connective” network of international trade (Ramesh, G. & Ramesh, M., 2010).

We shall argue that success in economic competitiveness and national well-being depends on having a workforce which is able to respond to an array of variegated challenges, the resolution of which depend crucially on the negotiators’ acquisition of soft skills. Having a substantial facility with soft skills serves to augment their levels of adaptability, problem-solving, communication skills, leadership capability, and even motivational disposition (Payne, 2000, p. 353). We submit that a sufficient scholarly literature has now accumulated to establish that economic success in the global market place depends crucially on the effective use of intangible assets, such as communication skills, amiability, interpersonal and negotiation skills, which serve as a vital resource for achieving competitive advantages in global trading (Lisbon Council, 2007). Policy interest in skills induction and utilisation is gaining momentum in the development agenda of nations recently. We argue that it is now clear that a country’s economic and social development plans will depend on possessing a range of soft skills which are pertinent to a particular context of negotiation. A high quality work force with the right balance of hard and soft skills is axiomatic in the business policy arena to ensure the ongoing competitiveness of employees, firms, cooperations and national economies (Grugulis, 2003; Tamkin et al., 2008). To create and nurture top notch successful business professionals, it is imperative to develop training programs in business schools which are devoted to the cultivation and fine-tuning of soft skills specifically designed to maximise the success of their business negotiations. This being so, a new and positive emphasis on soft skills educational processes are essential if we are to facilitate a secure foundation for competitive business interactions. Closing skill gaps directly impacts, we argue, upon improved productivity, employment, and enterprise creation and management. These proactive initiatives should be reflected in government, corporate and educational policies that encourage the development of such courses in our business institutions, in turn capable of identifying and publicizing the specific skills that will be most needed to support increasingly expeditious future business development.

Globalization has reduced the size of the world by communicatively shrinking it into a global village. Cross fertilisation of ideas, technological exchange and cross cultural exchange, which opens new markets of economic interest, have become realities for professionals working in multicultural environments. Cross-cultural business possibilities and interaction have placed supplementary demands on new forms of soft skills acquisition, mainly in the form of multi-lingual diversification and
sociocultural amenability. Other subtler cultural and technological influences have been shown to be relevant in this context (Tyagi & Tomar, 2013). Still, the fact remains that in both developed and developing countries, gaps in soft skills acquisition are constraining the success in business and industry to innovate, deliver and perform services on time, while meeting the quality standards of the countries with which they trade (Aring, 2012). We thus strongly believe that it has become imperative to bridge these gaps by reconceptualising our current limited and often myopic strategies on soft skills in ways which redirect funding and human resource energy to the development of soft skills training programs designed to educate and equip business school graduates with the soft skills they will require to conform to the current demands of the global trading market. This necessitates reforming the curriculum with a shift of emphasis to soft skills appropriate for international perspectives, capable of fostering cross cultural communication skills (including relevant language acquisition), multicultural teamwork interactivity, and improved collaboration between employers, employees and industry. This emphasis on soft skills acquisition is obviously not meant to denigrate the importance of being apprised of pertinent advances in information technology.

Regional disparity is evident among nations with respect to their specific needs in soft skill development. Societies from the developed world have inherent strengths with respect to political, economic, financial and technological background that can be leveraged upon by developing countries to build effective soft skill strategies for themselves which are congruent with those of the developing world. Developing countries may have certain specific skill needs to cater to rural economies apart from the more common soft skills, so there is considerable scope for developing countries to emulate successful strategies from developed nations which advance their own chances of success in the context of international business. It is clear that within certain countries the existence of rural and urban societies, pluralistic societies with various ethnic, racial, religious, cultural and social groups, different belief systems, cultures and values, are prevalent. This being so, we argue that it is necessary to have a comprehensively logical approach in formulating strategies for identifying and short-listing the contextually appropriate mix of soft skill competencies that may need to be integrated into the educational programs of business management, given the diversity of such regional differences. With the emergence of regions as the major new sites for economic activity, we believe that a uniform strategy will not be realistic and will thus have to be revised in the context of sociocultural pluralities which exist in different regions and continents.

Literature suggests that in a dynamic knowledge-based economy, the job-specific skills that employees need cannot be readily predicted, and are subject to on-going change over time in the context of mercurial business environments (Curtis & McKenzie, 2001) and among different countries and regions (Duoc & Christoph, 2009). What is important, therefore, is the capacity to continually adapt and upgrade the soft skills that can be applied in different work and business settings. So, the right mixes of skills needed have to be viewed in the light of economically driven narratives such as the cross-regional disparities in the adoption of technology, velocity of change and other mitigating factors.
Given the considerably richer pluralistic perspective we have adumbrated, it should now be evident that our aim is to integrate the scholarly literature on the relevance of soft skills in the international business context by fully recognising the multicultural complexities which confront modern society. Business opportunities can actually be augmented in these contexts, but not without comprehending and exploring the subtlety of the pluralistic components which affect the pertinence of the specific combinatory soft skills sets to be identified which most efficaciously address the needs of the four major economic regions to which we shall refer. The findings to which we allude will also rank the priorities and preferences in regional choices, and compare and contrast the perceptions on the importance of specific soft skill sets from one region to another. We believe that the results presented will draw together the views of the various stake holders on key soft skill priorities, and it is to be hoped that the discussion will provide valuable insight by way of ensuring that the relevance of these views will be reflected in the development of a framework for future policy and practice for the specific soft skill sets for different regions studied. From the main findings, the soft skill pedagogic components map derived from the analysis of the four regions should provide a novel perspective for the construction of an international business curriculum, thereby illuminating key areas for focus by researchers and policy makers for the revitalization of business courses in the respective regions.

2. The Significance of Soft Skills in Business Education and Contemporary Business

A considerable research in the 21st century has now accumulated to show that soft skills are far more important in education, business and professional settings than has previously been recognised. Soft skills account for as much as 70% to 85% of an individual’s success, whereas hard skills or technical knowledge contribute only for the remaining 15% to 30% (Klaus, 2010; Watts, M. & Watts, R. K., 2008). Hard skills and experience alone are not enough for the ingress and escalation in the job roles in business. Employers and recruiters consider that the soft skill traits of recruits are certainly a factor as important as hard skills (Nealy, 2005; Pittenger, Miller, & Mott, 2004) or more important for career success in business (Archer & Davison, 2008). Employers identify soft skills as “the number one differentiator” for job aspirants in all types of industries (Sutton, 2002) and place great importance in their recruitment processes (Curtis & McKenzie, 2001). Further, a study by Fotopoulos and Psomas (2008) confirmed that soft skill elements have the most beneficial impact on total quality management and the consolidation of the company’s market position.

Studies show that graduates of most business schools do not possess the appropriate soft skills that are necessary to succeed in today’s business world (Andrews & Higson, 2008; Jackson & Chapman, 2011; Robles, 2012). Currently, the seemingly perceived lack of effectiveness of soft skills programs in educational institutions has not yet succeeded in prompting the adequate incorporation of appropriate soft skills units into the business/management curriculums at tertiary level. Although some researchers other than ourselves (Mitchell, Skinner, & White, 2010) have recommended that soft skills training be incorporated as a main part of the business curriculum (Dang, 2009), little has yet been done to reflect
the vital importance of the perspective we have jointly professed. Amongst many business researchers and educators, soft skills are gaining greater recognition of their potential importance and findings by several researchers concluded that graduates should develop a range of soft skills especially in the field of business education (Laud & Johnson, 2012; Osman, Girardi, & Paull, 2012; Mitchell, Skinner, & White, 2010) to increase their employability in the potential labor market as well as to meet the employer expectations.

The development of discipline-specific skills and knowledge is no longer considered sufficient for business graduates and the content of Business programs are gradually extending beyond traditional, discipline-specific content. Of late, soft skills are gaining greater recognition of their potential importance, especially in the field of business education, but converting these insights into practical curriculum reform has been decidedly slow. These “soft skills” are largely grounded in communication ability, negotiation skills, flexibility and a capacity to adjust to new situations and amicably negotiate challenging proposals. Soft skills encourage forms of empathetically motivated interaction with the aim of building bonds of trust and relationships of loyalty with colleagues and customers. Soft skills interaction of this kind is now being recognised as the foundation upon which the edifice of successful business relationships can be built. Hard skills are admittedly the foundation of certain aspects of technological production, but to achieve long term success, even in this area, requires that employees with these technical skills are able to get on amicably and civilly with each other (Hang & Laura, 2012). Thus, it is the balance between the acquisition of hard skills and soft skills that allows for a sufficient level of personalisation to be formed within business relationships.

This being so, soft skills training must be integrated and emphasised throughout all business disciplines in order to improve the business student’s overall potential contribution to future employers, while ensuring the greatest chance of his/her own success (Bowers & Metcalf, 2012). There are a number of factors in relation to changing business practices which provide the impetus for developing soft skill set competencies in business graduates (Jackson & Hancock, 2010). Changing patterns of economic competition and forms of work organisation have led to a greater emphasis on ‘soft’ skills—the personal attributes of teamwork, a work ethic, and a preparedness to be flexible and to embrace change are obvious examples (Curtis & McKenzie, 2001). In the global business environment, organisations are increasingly operating across a range of international borders. As a result, the value of “educational or professional mobility” (Playfoot & Hall, 2009, p. 13) rises and emotional and social intelligence become significant factors in successfully interacting, managing and collaborating with staff from a broad range of backgrounds. Managing diversity is fundamental in contemporary international business and business professionals must develop high levels of cross cultural awareness and sensitivity. A proficiency in managing diversity domestically and internationally is essential for harnessing the multicultural profile of the workforce and ensuring optimum levels of productivity (Passaris, 2006). With the rapid changes in new technology and the existence of global economies, business needs people who can deal with change and uncertainty (Shuayto, 2013).
The modern business organisational structure requires flexibility and diversity in order to operate effectively in a global environment. Business professionals will require multilingual skills to communicate with diverse groups of people. In this regard, effective team-working, collaboration and communication skills are an essential requirement for business success (Jackson & Hancock, 2010). The majority of stakeholders in business education and employment accept that universities should be largely responsible for the soft skills preparation of students to excel in the fast-paced, technology-driven 21st century workplace (Grady & Millet, 2007). Higher Education providers across developed economies over the past decade have endeavoured to identify the soft skills set combination most required by business and industry (Green et al., 2009). Stemming from this, considerable effort has to be put in place for the successful development of more competency-based soft skill learning programs. On this construal, the pedagogic cultivation of soft skill programs has an extremely important role to play in increasing youth employability, advancing business potential and the economic success of nations. Key features of models that successfully deliver these critical skills include an emphasis on multi-stakeholder partnerships, updated pedagogy, innovative policy restructuring to improve access, and the quality and relevance of skills at the secondary and tertiary level (Burnett & Jayaram, 2012). While there is general agreement that all business graduates need a set of skills which will prepare them for employment, there is a lack of consensus about what those skills should be, especially with respect to international business curriculum. We submit that a pragmatic exploration of a specific group of the most relevant soft skills sets of pedagogic components, identified through relevant research based on interaction with potential employers will, we believe, close at least some of the skills gaps and elevate the relevancy of the business curriculum towards demand driven and market oriented approaches.

3. Soft Skill Sets Identified as Essential in Business Environments in Different Regions

A significant quantum of work has been documented globally, which lists the many soft skill attributes considered vital in ensuring employability of business graduates. Among this group, there may be country or regionally specific patterns of soft skill set requirements which may not necessarily overlap with one another, due to the divergence in the respective roles of global and local factors. We argue that these regional inequalities stress the need to focus on the contribution of various factors regarding the selection of skill sets for different regions, rather than opting for a uniform approach. In order to keep this section of the paper within manageable bounds we have circumscribed the scope of this section of the paper to classify the literature available within the limited scope of four major regions comprising developed economies such as the USA and Canada, UK, Europe, and Australia, along with actively emerging economies such as Asia. More precisely, we will focus upon the exploration of a specific group of soft skills pedagogic components identified by researchers from the above regions that could be integrated with international curriculums in tertiary business education in the respective regions.

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A number of countries developed national frameworks for generic employability skills in the early 1990’s (Curtis & McKenzie, 2001). Much of the work on developing soft skills among business graduates has been done in the US in response to the soft skills gap perceived in the US business workforce. Fortune magazine reported that US business schools were successful in churning out fresh quantitative geniuses, but they consistently failed to deliver the softer skills that employers valued most (Fisher, 2007). According to the World Economic Forum’s (2010) Talent Mobility Report, U.S. employers find short skills gaps and shortages in virtually every sector of the economy. Similarly, in Canada, the Conference Board of Canada also reported short skills gaps and developed an Employability Skills Profile. The three broad domains of employability skills identified were academic skills, personal management and teamwork skills (Conference Board of Canada, 1992). The general policy thrust in Canada has been towards a greater emphasis on measures designed to improve soft skills acquisition, and in turn more positive attitudes on the part of employers with regard to the overall employability of workers. In the United Kingdom, it was the Dearing Report review into higher education (1997) which brought the importance of soft skills into prominence for the higher education sector. The report stressed the importance of four skills, namely; communication skills, numeracy, the use of information technology and learning how to learn for the future success of graduates in their career life (Dearing, 1997).

Much effort has been exerted throughout European countries to enhance the competitiveness of European industry and commerce. There was a considerable interest in reforming education systems for the development of broadly based employability skills. Reports and policy documents were developed by the European Round Table of Industrialists and the Union of Industrial and Employers’ Confederations of Europe in which they have identified generic skills for employability such as oral and written communication, numeracy, critical thinking, learning techniques for picking up new skills and adapting to new situations, team work skills, a sense of responsibility and personal discipline; decision-making, a sense of commitment and willingness to take risks; a sense of initiative, curiosity, creativity; a sense of professionalism, achieving excellence, gaining competitive edge; and a sense of service to the community and civic mindedness (European Round Table of Industrialists, 1995, p. 13).

Recent research from Eastern Europe shows that employers believe that the shortage of soft skills is one of the major constraints to economic growth. The soft skills gap is a growing problem in the region, and it is believed that the weak quality and relevance of education may be a key source of youth unemployment. Feedback from employers reveals that graduates have neither the necessary technical skills nor the necessary non-cognitive soft skills-set (Søndergaard & Murthi, 2012). To counter these challenges effectively, a mix of curriculum reform to ensure its relevance and adapting ‘reskilling’ programs should be pursued (Jayaram, 2012).

Asian countries have a different cultural background and the fast-evolving Asia region creates multiple challenges for soft skills development (Almeida et al., 2012). There are some inherent weakness for the Asian society with respect to the development of soft skills, basically owing to cultural conservatism,
socioeconomic background, and language abilities. The lack of soft skills is partly attributed to the “rote learning” style adopted by students who are pressured by their parents, peers, and educational institutions to excel academically as a result of the examination-based education system (Wong, 2004). In the process, they fail to develop an inquisitive mind and analytical skills. Concerns are increasing among stakeholders in the region about the inadequate response and commitment of business schools and tertiary education to soft skills development programs, despite the growing demand for appropriately skilled human resources so essential for higher and inclusive growth, and regional integration efforts (Maclean et al., 2013).

In Australia, a number of reports show that relevant professional associations and employers (Australian Chamber of Commerce & Industry (ACCI); Business Council of Australia (BCA); Business Industry and Higher Education Collaboration Council (BIHECC)) are dissatisfied with the level of soft skills competency amongst many business graduates (Birrell, 2006). In 2009, the Council of Australian Governments (COAG) created a National Agreement for Skills and Workforce Development to identify the long-term objectives of soft skills and workforce development. Skills utilisation is also identified as an important consideration within Skills Australia's first national workforce development strategy (Australian Workforce Futures, released in March 2010).

4. Discussion

Computer and Information Technology-related skills refer to proficiency in computer applications, information skills and the use of modern technologies in communication and the internet (Raybould & Anderson, 2005; Andrews & Higson, 2008). Skills relating to the use of information technology may be applied in routine work; specialised technical work, design or adaptation, and information seeking; learning and using a range of software applications; and using IT as a management tool (Field, 1995). Employers recognise the growing importance of information technology in business processes and see it as an employability skill (Curtis & McKenzie, 2001). Computer and Information technology related skills are ranked sixth among the soft skill clusters on a global basis. Almost equal preference has been given by all the regions for internet technology skills and modern communication techniques. As business education programs do not generally provide students with relevant IT competencies, most regions, especially Asia, focus on generic IT skills, even though they are not as much sought as the other soft skill clusters to which we refer.

Basic skills include literacy and numeracy, mathematical skills and quantitative analysis skills. Irrespective of the region, the employers expect a minimum level of competency in basic skills essential to ensure their effectiveness and efficiency in their role within the work place. Though apparently different from one region to another, there is a significant convergence in the skill sets identified between the different countries of the same region and among some common themes from all the regions. Even though all six of the soft skill sets appear very important in all the regions, the demand for individual competencies vary from one region to another and not all are perceived by the
stake holders to be equally important.
Within the top three skill sets employers place a greater importance on communication, self-management and team work as their relevance in employability is much higher, compared to the rest of the skills listed. In the final analysis, this difference in the observed perceptions regarding the priorities in soft skill sets among the economic regions may be explained in the context of the diversities prevailing intra-regional differences with respect to the socioeconomic and technological background.

References


