Employers' Expectations and Perceptions of Business and Economics College Graduate's Competencies in Ethiopia

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ABSTRACT

The Practitioners of every business fields are claiming that graduates have little practical knowledge while the academic institutions will defend their right by setting educational objectives. The aim of the study is to find out the employers' perceptions and expectations of the graduates' competency. The research study employed a descriptive research design with a quantitative research approach. The target population of the study was all the general managers and HR managers of all organizations in South Wollo and Oromiya Zone in Ethiopia. The study sample size was 327 by using a purposive sampling technique. The study revealed that there is a big gap between employers' expectations and the graduates' competency of business and economic college in Ethiopia. The results showed that the respondents said there is a lack of skills, knowledge, and abilities among graduates. Furthermore, the analysis has shown that there is a good and significant relationship between the knowledge, skills, and abilities of the graduates. In addition to that, the study has shown that there is no matching between the university curriculum and market demand. Improving and updating the university curriculum to match the market demand and to fill the gap as well as to provide practical training to the graduates are recommended.

Keywords: Competencies, Ethiopia, Expectations, Employer Perception, Graduates.

Background of the Study

Traditionally, education viewed as the seedbed of change or societal transformation in any nation. The main education objective is to prepare the student for productive employment in their transition. Such employment can be paid or self-generated. This indicates that there is a connection, objectives and link between schools and jobs, though the connection is not automatic. Umo (2001) posits that there is a missing link between education and employment. Various reasons for this development are worth mentioning. One of which is high enrolment in higher education and a mismatch between education and employment (Akinyemi, Of em and Ikuenomore, 2012). Although, there are some other externalities which must be fostered to ensure the right connections. First, fostering the externalities that link education and employment requires according to Ukpong (2001), a third party with a 'Yanus-like' head with two opposite faces saddled with the planning responsibilities and accountabilities.

The milestone here is that any disconnection in the tripod relationship between the producers and employers of graduates, and planners, will certainly produce maladjusted economy and wastages of human resources. Second, further observation shows that employment opportunities for graduates are not mainly a function of the employment system and its requirement but also of the quantitative structural skill linkages (Meek, Teichler and Kearney, 2009; ILO, 2008; Boateng and Ofori Sarpong, 2002; Idaka, 2013).

The time of entering the job market, most of the graduates are unaware of the employment reality. They are either shocked or unprepared to adapt to the working environment or find it difficult to cope with their job responsibilities and accountabilities. This may due to the different and various perceptions between employers and graduates. In reality, graduates may excel in their soft skills while employers demand more technical skills. Too high or too low emphasis on different skills not only created different expectations but also deepened the unnecessary gaps and misunderstandings. Whether the skills acquired in schools meet the current market needs is still questionable. The perceived importance of different skills between employers and graduates are yet to be identified and fulfilled.

In recent years, universities have involved employers in many ways to enhance the curriculum and improve instruction. One of which is to gather their feedbacks of graduates they employed. Through employers' feedbacks, universities are guided in enhancing their curriculum and estimating how they perform against the standards they set in consideration of their legal and educational mandates. Employers are also involved in articulating a university's own set of graduate's attributes. The graduates' attributes give universities a clear picture of what kind of competencies, attitudes and skills are needed in the workplace, thus enabling their graduates to be employable. Universities need to involve employers to identify these attributes since after graduation, the fate of the graduates to be employed lies in their hands and decision to hire them.

Past research revealed that employers looked for certain skills, behaviors and attitudes in their potential employees. Many employers preferred employees who were motivated, possessed basic skills, and had satisfied higher performance standards; who could adapt through the use of creative thinking and problem solving skills, who possessed effective personal management skills, had interpersonal, negotiating and teamwork skills that made them effective work group members, and could influence others to act through leadership skills, and had individual responsibility, self-management and integrity (SCANS, 1991).

Unemployment problem of the country has been addressed partly by the industrialization process that generated many opportunities for unskilled labor. However, graduate unemployment in Ethiopia has been a serious problem for nearly three decades. The problem of unemployment of graduates began long time back and continues to this day despite the efforts of successive governments to address the problem. In Ethiopia, the unemployment rate decreased to 16.80 percent in 2015 from 17.40 percent in 2014. Unemployment Rate in Ethiopia averaged 19.88 percent from 1999 until 2015, reaching an all-time high of 26.40 percent in 1999 and a record low of 16.80 percent in 2015. This means that, there is a decreasing in unemployment rate (Trading and Economic, 2017).

The researchers go through different previous research studies and analyzed their statement of the problem and found that, different researches have been done in different areas, but most of them focused on the employers' expectations of the performance and skills of graduate students with related to specific departments which are professional departments such as engineering departments. Therefore, the current study is focusing on the employer expectation and perception of the graduate students' competencies of the different departments of Business and Economics College at Wollo University in Ethioia with specific reference to south Wollo and Oromiazone.

There is always a gap between employers' perceptions and expectations and graduate competencies. Hence, the task to bridge the gap is very necessary in order to equipped graduates with a more competent set of skills. It turns out that universities students are being well-prepared for their future careers in different practical work areas, at least in their own minds. Ask employers, and it's a very different picture. Therefore, a study is needed to help identify employers' perception and expectations of graduates' competencies in Ethiopia with more focus on south Wollo and Oromia Zone.

Literature Review

A few studies have been conducted on employer expectations and perceptions on graduate competencies. The concept and definition of graduate competencies has been discussed for a number of years but there has been a growing interest on what are the expectations and perceptions of the employers from the graduates over the last of a few years. As the interest in promoting graduates' competencies and employability has increased numerous studies have produced detailed breakdowns and taxonomies of particular skills, abilities and knowledge required to promote graduate competencies such as core skills; key skills; common skills; transferable skills; essential skills; functional skills; skills for life; generic skills and enterprise skills. According to Harvey et al, (1997 cited in Holden and Jameson, 2002), most employers are looking for graduates who are proactive, can use higher level skills including 'analysis, critique, synthesis and multi layered communication to facilitate innovative teamwork in catalyzing the transformation of their organization'.

The term of competency is used to refer to the capability or ability. It is a set of associated but different sets of behavior structured around an underlying construct which is also known as intent. Hamel and Prahalad (1994) described competency as “the collective learning in the organization, especially how to co-ordinate diverse production skills and integrate multiple streams of technologies”. Recent research on graduate employment addresses generic competencies as skills, abilities and attributes that complement the field of specialization of employees for work performance (Mitchell, 2003).

Perception is defined as perceives or views, it also synonym with word acceptance (Liu and Gentle, 2005; Smart and Cappel, 2006) or could be best described with depicting or portraying or thinking about something. Furthermore, perception shows an evaluation made by persons (Choi, Kim and Lee, 2000).

A study has been carried out by Gurcharan and Garib (2008), showed that graduates tend to rate themselves higher than what is perceived by the employers. However, same results shown in both groups in terms of ranking of employability skills according to its importance, from the most important of problem solving, and adaptability skills to the least important of communication skills. Additionally, in the study conducted by Nikitinaand Furuoka (2012), revealed that soft skills have more impact in bridging the gap of perceptions between employers and graduates, and proposed to include soft skills into the curriculum development in Public Universities.

The competitive labor market nowadays needs add value to students' knowledge and abilities. Graduates or students need to adapt the changing expectations of performance with broader skills besides capitalizing on their traditional technical skills (Howieson, 2003). Even though graduates nowadays are more aware of the need of soft skills especially on communication, analytical, professional and teamwork skills, the expectation of employers has also escalated from basic business skills to require graduates to have “business awareness” and sensitivity towards the current issues in the real world. Most of the employers prefer workers with life experience and work related skills (Jones and Sin, 2003). However, both graduates and employers reported that many of the programs in Universities failed to deliver both professional and non-technical skills (Kavanagh and Drennan, 2008). This is particularly true that universities play an important role to bridge the gap between the graduates and employers (Kelley, Patterson and George, 2001).

The literature also indicates that employers want graduates who can adapt to the workplace culture, use their abilities and skills to evolve the organization and participate in innovative teamwork (Boateng and Ofori-Sarpong, 2002). Employers also value critical thinking (reflection) as this is required for innovation and anticipating and leading change (Harvey et al, 1999; Little 2001 in Lees 2002).

On the research of Hodges and Burchell (2003) on a study of New Zealand employers' views of how well business graduates are prepared for the workplace. The employers place a great emphasis on graduates' soft skills, and their ability to deal empathetically and effectively experience.

Weligamage and Siengthai (2003) in their research reported that, graduate unemployment is considered an important social problem in Sri Lanka. The study attempts to find the nature of the gap between employers' expectations of skills and job expectations of graduates from Sri Lankan universities to make recommendations for stakeholders of the problem. Findings reveal that possessions of university graduates of key skills sought by employers are lacking. Universities do not generate the required labor skills for the society and undergraduates' lack of knowledge about reality of the labor market situation. This skill mismatch leads to more number of unemployable graduates in the economy. Thus, all stakeholders: the government, the university system administrators, employers and graduates themselves must all endeavor to find a solution to this gap.

According to Davie, Cset and Poon (1999)" Graduates from professional courses are often described by employers as lacking in useful and instant fee-earning skills. Graduates from professional courses are often described by employers as lacking in useful immediately fee-earning skills. This survey reveals that graduates and employers from the population surveyed largely agree on the importance of a set of general skills required by graduates. Comments from employers and graduates on the need for additional skills recommend the development of three main categories a need for general intellectual and analytical skills (e.g. problem-solving), particular specialist technical skills, and more practical `hands-on' training.

Competencies can be accumulated within an individual and represent a capacity to perform at some future point (Boam and Sparrow, 1992; Page, Wilson and Kolb, 1993). Essentially, these definitions relate to enduring characteristics possessed by an individual that, under normal conditions, should result in an acceptable or superior job performance. This notion is based on the premise that competencies are causally linked to individual performance outcomes (Boyatzis, 1982; Spencer and Spencer, 1993). In a workplace context, competency is a combination of cognitive skills (technical knowledge, expertise and abilities), and personal or behavioral characteristics (principles, attitudes, values and motives), which are a function of an individual's personality. Successful performance, while dependent on a number of factors, will require the presence of both components. Spencer and Spencer (1993) suggest that, if people with the right personal characteristics are recruited initially, then they should have the capacity to quickly acquire the relevant (technical) knowledge and skills in order to attain their employers' performance objectives.

Joseph and Joseph (1997) report that employers believe that educational institutions provide relevant employment experience for their business students, but remarkably, ascribe generic competencies a low level of importance. However, the level of competency expected of graduates by these employers, fell well below their perceived level of importance, suggesting that employers expected these competencies would be developed elsewhere in the curriculum and not necessarily through industry involvement. Raymond, McNabb and Matthaei (1993), in a survey of teaching methods to develop competencies for the workplace, found both employers and students ranked cooperative education as the most important educational method, and pointed to a critical need for student thinking and ability to learn. In summary, there have been a number of studies reported in the literature that point to what employers consider to be important in graduates, but there is little recent research on employers' perceptions of the level of competency that graduates bring to the workplace.

The debate over the desired type and level of skills expected of accounting graduates has been motivated by the shifting role of accountants as 'knowledge professionals' in the international business environment (Howieson, 2003). A better mixture of skills is seen as necessary to address the diversity of business challenges. For instance, Daff et al., (2012) suggest that Emotional Intelligence (EI) is a desirable quality in accounting graduates as it is allows accountants to excel in strategic decision-making, teamwork, leadership and client relations. They contend that in the quest to find the best employees, employers have focused on EI whereas accounting faculty has placed less emphasis on EI skill development and a greater emphasis on generic skills

The literature on employer expectations suggests that there is an overall expectation-performance gap. Although it may be unrealistic to expect new graduates to immediately meet the requirements of employers, there is evidence that the expectations of employers requires a greater level of attention to be given to the graduate employment capabilities being incorporated and delivered in accounting courses. Employers also appear to focus on what may be termed as higher order personal and interpersonal skills including ability to engage clients negotiate and act strategically (Hancock et al., 2010).

Research Methodology

This study is undertaken based on a descriptive study research design. The purpose of employing this method was to describe the nature of a situation (Argaw and Ahmed 2017).Ahmed,Kar, and Ahmed (2018) suggest that descriptive research design is appropriate in research because it provided an opportunity to the researcher to explore and describes the relationship between variables in their natural setting without manipulating them; since the descriptive study is the systematic collection of data in a standardized form from the representative sample. In order to fulfill the objectives of the study, this research relies on quantitative types of the research approach. The quantitative type is used more to explore the status of graduates' competencies.

This study aimed at focusing on employers' perception and expectation on graduates' competencies. The population for this study consisted of general managers and HR managers who are working on all service, manufacturing and finance sectors of the selected towns in South Wollo and Oromia special zone in Ethiopia. The total population of the study consisted of 1782.The selected sample size of the study was 327 by usingslovin's formula with the use of purposive sampling technique.

Primary data was collected from the general managers and HR managers, who are working in different organizations of different sectors in South Wollo and Oromia special zone, particularly, Dessie, Mekaneselam, Haik, Kombolcha, and Kemssiecities in Ethiopia. This was done through the use of a structured, self-administered questionnaire aimed at capturing the various variables under the study. The questionnaire was used because of its appropriateness to gather relevant information, opinions, and attitudes from many numbers of respondents within a less period of time. The researchers used five points Likert scale to measure the items. The number 5 on the answer code represented as (Strongly Agree), it is the highest degree of the scale. The number (4) of the answer code outlined (Agree). The number (3) of the answer code simplifies (Neutral). The number (2) of the answer code shows the (Disagree). The number (1) of the answer indicated (Strongly Disagree), and it is the lowest degree of the scale.

To test the reliability of the questionnaire of the study, Cronbach's Alpha measure of internal consistency has been used to measure the degree of credibility of the study sample answers to the questionnaire items, as well as the researcher give the questionnaire to some experts to check the validity of the questionnaire.

Analysis of data in this research was done by using descriptive and inferential statistical methods. The descriptive statistical methods include: frequency, percentage, mean, standard deviation and the inferential statistical method includes correlation among the variables.

Analysis and Discussion

This section demonstrates the data analysis, and interpretation of the study findings. The main purpose of this study was to examine the employer perception and expectations from the graduates' students. The data analysis and interpretation is in line with the objectives where the data interpreted and implications are drawn on them.

Table 1 : Descriptive analysis of graduates' Knowledge

Sr. No.	Factors	Mean	St. Deviation	Level	Rank
1	You are expecting high knowledge from a newly recruited graduate	3.22	1.355	Moderate	8
2	The graduates have prior work experience	2.98	1.402	Moderate	9
3	The graduates have full information about the organisation.	3.70	1.216	High	1
4	They are continuously learning.	3.68	1.181	High	2
5	The graduates integrate the acquisition of knowledge into day-to-day work.	3.38	1.325	Moderate	6
6	They have information about business laws, regulations, policies, procedures, trends, and developments.	3.45	1.248	High	5
7	They have Knowledge of global issues and development	3.50	1.267	High	4
8	They have knowledge about industr y or business environment working in	3.32	1.365	Moderate	7
9	Aware of occupational health and safety practices and procedures, and act in accordance with these	3.68	1.184	High	3
The overall arithmetic mean of Knowledge Variable		**3.465**	**0.665**	High	

Source: Survey Result

It is clear from the results of table No (1) above that, the approval rate degree of the respondents are high with the arithmetic means between (3.70 and 2.98). The majority statements of this dimension have obtained a high approval rate which indicates the importance of these statements. The trends of arithmetic means for each statement of the table are ranging between high and moderate which suggests the answers of members of the samples are positive and high for the statements contained in the table. Therefore, the overall arithmetic mean of all the statements of the above dimension in the table mentioned above is 3.465 with the overall of standard deviation of 0.665, which indicates that there is consistency and harmony among the response of the respondents of the statements above.

The result of the third statement which states “The graduates have full information about the organization" has obtained the highest approval rate in the dimension with an arithmetic mean of 3.70 which reflecting its high importance among the statements.

It has obtained the standard deviation of 1.216. This indicates that most of the respondents' answers are high, and they agree with a high degree that, the graduates have full information about the organization during recruitment. The standard deviation indicates that there is lack of consistency and harmony in the answers of respondents of the questionnaire. Followed in rank the statement number four which states “They are continuously learning" with the arithmetic mean value of3.68and standard deviation of 1.181. The majority of respondents agreed with a high approval rate that, the graduates are continuously learning. Even though the standard deviation is slightly higher than (1), which indicates that there is a slight of inconsistency and lack of harmony in the answers of respondents. The last statement of the above table which states "Aware of occupational health and safety practices and procedures, and act in accordance with these" is ranked in third place with an arithmetic mean value of 3.68 and a standard deviation of 1.184. It indicates that the graduates aware of occupational health and safety practices and procedures, and act in accordance. With respect to the statement number eight of the above table, which states "They have knowledge about industry or business environment working in" is ranked in the third lowest rank and it indicates that it has a moderate approval rate with an arithmetic mean of 3.32 and standard deviation of 1.365. The respondents of the questionnaire agreed that the graduates have knowledge about industry or business environment working in. The result of the standard deviation indicates that there is inconsistency in the answers of members of the statement. The statistical results of statement number one which states “You are expecting high knowledge from a newly recruited graduate” showed that it has occupied the second lowest rank in the above table with a moderate approval rate and with the arithmetic mean of 3.22 and standard deviation of 1.355. The result of the statement above indicated that there is inconsistency and dispersion in the respondents' answers. With reference to the results of statement number two which states “The graduates have prior work experience” showed that it has occupied the lowest rank in the above table with a moderate approval rate and with the arithmetic mean of 2.98 and standard deviation of 1.402. The result of the statement above indicated that there is a high inconsistency and dispersion in the respondents' answers.

It is noticed from the results of the table above that, the respondents' answer reveals a positive trend in all paragraphs contained in the table because their arithmetic mean value is good 3.2. Therefore, considering the overall arithmetic mean value of the knowledge variable in the table is high, which constituted of 3.465. It indicates that most of the respondents' answers to the variable above have a rate of agree perception and high rank level about this variable. The standard deviation constituted of 0.665, which indicates that there are consistency and harmony between the views of respondents on the statements of the above variable.

Table 2: Descriptive analysis of graduates' Skills Variable

Sr. No	Factors	Mean	St. Deviation	Level	Rank
1	Able to solve technical problems.	3.61	1.258	High	3
2	Remains open to new ideas and approaches.	3.45	1.208	High	10
3	Maintains a professional demeanor in stressful and difficult situations.	3.59	1.203	High	5
4	Attempts to resolve interpersonal and in ter-group conflict constructively through self-management.	3.52	1.308	High	7
5	Takes steps to resolve conflict situations.	3.59	1.221	High	4
6	Demonstrates a sense of responsibility and commitment to public trust.	3.61	1.187	High	2
7	Inspires, mo tivates, and guides others toward goal accomplishment.	3.17	1.334	Moderate	19
8	Emphasizes cooperation and a team approach to work.	3.17	1.355	Moderate	18
9	Builds trust and open communication among team members and with stakeholders.	3.20	1.396	Moderate	16
10	Exercises good judgment by making sound and well -informed decisions.	3.07	1.322	Moderate	21
11	Obtains relevant data before making a decision.	3.24	1.336	Moderate	12
12	Develops alternative solutions and plans to solve problems.	3.51	1.246	High	8
13	Applies appropriate negotiation approaches to find mutually beneficial solutions to problems and/or conflicts.	3.49	1.328	High	9
14	Considers and responds appropriately to the needs, feelings, and capabilities of others.	3.52	1.230	High	6
15	Orally expresses ideas and facts in a clear, organized, and convincing manner in a style, tone, and level appropriate to the audience and the occasion.	3.17	1.331	Moderate	17
16	Listens to others and shows understanding of what they are saying.	3.20	1.311	Moderate	15
17	Effectively develops networks and builds alliances with key individuals or groups.	3.13	1.429	Moderate	20
18	Expresses facts and ideas in writing in a clear, convincing, and organized manner that is appropriate to the audience and occasion.	3.21	1.384	Moderate	14
19	Proficient in using software, such as word processing, spreadsheet, database, presentation kits, at work.	3.23	1.307	Moderate	13
20	Able to use new software to facilitate work.	3.65	1.216	High	1
21	Able to use the Internet and Intranet to facilitate work and business	3.41	1.277	High	11
The overall arithmetic mean of Skills Variable		**3.368**	**0.701**	Moderate	

Source: Survey Result

The results of the table No (2) above shows that the approval rate degree of the respondents' perception agreement is varying between agree and neutral with a high and moderate rate level and with arithmetic means between (3.65 and 3.07). All the statements of this axis have obtained high and neutral approval rates which represent the importance of these statements to the study. The results of the arithmetic mean for each statement of the table are high and neutral and it suggests that the answers of respondents are positive and high with agree and neutral in the respondents' perception towards the statements mentioned in the table. All in all arithmetic mean of all the statements of the above dimension in the table above is 3.368 with the overall standard deviation of 0.701, which shows that there is consistency and harmony among the response of the respondents of the statements of the skills variable above because the standard deviation is somewhat far from (1).

The statement No (20) in the table above, which states "Able to use new software to facilitate work" has obtained the first place and the highest mean in all the statements of the axis in the above table. The arithmetic means is 3.65, with a high approval level rate and with agree perception among the respondents. The statement also obtained a value of the standard deviation of 1.216. The standards deviation value indicates that the responses of the respondents have inconsistency and dispersion and the mean indicates that there is high rate level with agree perception which means the respondents found the graduates able to use new software to facilitate work. It has been noted that statement No (6) "Demonstrates a sense of responsibility and commitment to public trust" has got the second highest arithmetic mean in the above table which is 3.61and standard deviation of 1.187, which means that the degree of approval over the paragraph is high and the perception is agree. The result of standard deviation shows that there is a lack of consistency and harmony in the answers of respondents regarding the statement. Statement No (1) states "Able to solve technical problems" has scored the third highest arithmetic mean in the above axis with a value of 3.61 and with a standard deviation of 1.258. This means that the respondents of the questionnaire agreed that, the graduates have the ability to solve technical problems. It has got high approval level rate and with agree perception on the Likert scale, but it has high dispersion and inconsistency because the standard deviation is more than 1. It is clear from the statement (7) in the above table which states "Inspires, motivates, and guides others toward goal accomplishment" has got the third-lowest rank in this axis with arithmetic mean value of 3.17and standard deviation of 1.334, which indicates the presence of dispersion and inconsistency in the responses of the respondents. Also, the results of the arithmetic mean value of the statement shows a moderate level rate with neutral perception from the respondents. With reference to the statement No (17) which states "Effectively develops networks and builds alliances with key individuals or groups" was ranked in the second lowest rank level in the table in terms of importance, where it got the arithmetic mean value of 3.13 of the respondents' answer and with a standard deviation of 1.429 which indicates that, there is inconsistency in the answers of members of the sample over the statement because the standard deviation is far from (1).With regard to the statement No (10) which states "Exercises good judgment by making sound and well-informed decisions" was ranked the lowest in the results of table above in terms of importance, where it got the lowest arithmetic mean value of 3.07 of the respondents' answer and with a standard deviation of 1.322 which indicates that there is lack of consistency and dispersion in the answers of respondents over the paragraph because the standard deviation is more than (1).

Taking into account the overall arithmetic mean value of the skills variable in the above table is moderate, which constituted of 3.368. It indicates that most of the respondents' answers to the variable above have moderate rate of agreement about this variable. The standard deviation constituted of 0.701, which indicates that there are consistency and harmony between the responses of respondents on the statements of the above dimension.

Table 3: Descriptive Analysis of graduates' Abilities Variable

Sr. No	Statement	Mean	St. Deviation	Level	Rank
1	They have ability to interpret given tasks	3.58	1.222	High	2
2	They have ability to handle large amounts of new information	3.62	1.178	High	1
3	They maintain a healthy balance between personal life and work.	3.16	1.336	Moderate	8
4	They align personal vision with strategic, functional and programmatic goals and objectives.	3.15	1.350	Moderate	9
5	They have diversity awareness ability	3.17	1.397	Moderate	7
6	They have global understanding ability	3.09	1.323	Moderate	10
7	Able to display a practical good sense in handling daily tasks	3.22	1.332	Moderate	6
8	Able to plan ahead/ foreseeing problems	3.54	1.194	High	4
9	Able to innovate/ put forward new ideas	3.58	1.228	High	3
10	Able to assess situation and recommend direction or course of action	3.41	1.330	High	5
The overall arithmetic mean of Abilities.		**3.351**	**0.708**	Moderate	

Source: Survey Result

As per the statistical results showed in the table No (3) above that, the approval rate degree of the respondents' perception agreement is agree and neutral with high and moderate rate level and with arithmetic means between (3.62and 3.09). Fifty percent of the statements of this dimension have obtained high-level approval rate with agree perception among the respondents' answer. The overall arithmetic mean of all the statements of the above dimension in the table above is 3.351 with the overall standard deviation of 0.708, which shows that there are consistency and harmony among the response of the respondents of the statements of the abilities variable because the arithmetic mean is moderate and the standard deviation is somewhat near from (1).

The statement (2) which states "They have ability to handle large amounts of new information" obtained the highest arithmetic mean value in the above dimension which is 3.62 and a standard deviation of 1.178. It indicates that there are a high agreement rate among the respondents' views and answers. In addition to that, the result of the standard deviation indicates there is lack of consistency and harmony in the opinions of respondents about the importance of ability to handle large amounts of new information. With regard to the statement (1) "They have ability to interpret given tasks", which obtained the second-highest arithmetic mean value 3.58 in the above table with a high agreement perception and with a standard deviation of 1.222. The results of the statement showed that the targeted respondents of the study agreed about the importance of graduates have the ability to interpret given tasks. The result of statement No (9) in the above table states "Able to innovate/ put forward new ideas" has ranked in third place with the third arithmetic mean value of 3.58 and with a standard deviation of 1.228.

The targeted respondents of the study agreed with a high-level rate about the statement of the graduates able to innovate/ put forward new ideas. The result of the standard deviation showing that there is dispersion and inconsistency between the respondents' answers because the standard deviation more than 1.With respect to the statement (3) which states that "They maintain a healthy balance between personal life and work". This statement has obtained the second-lowest arithmetic mean value of 3.16 and the standard deviation of 1.336. The result indicates a neutral degree of agreement, as well as the standard deviation, which shows there is a lack of consistency and harmony among the opinions of members of the sample on the statement because the standard deviation is more than (1). This statement has got its importance in the above dimension due to the importance of life and work balancing. With reference to statement No (4) which states "They align personal vision with strategic, functional and programmatic goals and objectives", has got the second lowest arithmetic mean value of 3.15 in this axis with a standard deviation of 1.350. This statement indicates that there is a presence of high inconsistency in the views of respondents, as well as the statement, which has got a neutral agreement rate among all statements in the axis above. With reference to statement No (6) which states "They have global understanding ability", has got the lowest arithmetic mean value of 3.09 in this axis with a standard deviation of 1.323. This statement indicates that there is a high presence of inconsistency in the views of respondents, as well as the statement, which has got a neutral agreement rate among all statements in the axis above.

Taking a look at the overall arithmetic mean value of the abilities variable in the above table is neutral, which formed of 3.351. It indicates that most of the respondents' answers to the axis above have a moderate rate of agreement about the above axis. The standard deviation constituted of 0.708, which shows that there are very slight inconsistency and lack of harmony among the answers of the respondents on the statements of the above variable.

Correlation Analysis

Table 4. Correlation Results between Variables

Correlations				
		Knowledge	**Skills**	**Abilities**
Knowledge	Pearson Correlation	1	.439**	513**
	Sig. (2-tailed)		.000	.000
	N	305	305	305
Skills	Pearson Correlation	.439	**1**	.795**
	Sig. (2-tailed)	.000		.000
	N	305	305	305
Abilities	Pearson Correlation	.513**	.795**	**1**
	Sig. (2-tailed)	.000	.000	
	N	305	305	305

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

Source: Survey Result

The results of the above table No (4) depicts the correlation result between the variables. Accordingly, as it is clearly indicated in the above table all the variables have a significant and positive correlation with each other.

Knowledge variable has a positive and moderate relationship with skills variable (r=0.439, p < .01), which are statistically significance at 99 % confidence level. This implies that at a 1% level of significance that was discovered the knowledge variable plays a significant role in determining skills. This indicates that as knowledge goes to increase, the skills also go to increase and as knowledge goes to decrease, the e-skills go to decrease. Similarly, knowledge have a moderate and significant relationship with the abilities (r=0.513, p<.01), which is statistically significant at a 99% confidence level. This result indicates that knowledge plays a significant role in identifying abilities. The variable of skills has a strong and significant relationship with the abilities variable with a value of (r=0. 795, p<.01). Hence, based on the above correlation result, the correlation between variables at 99% confidence level was statistically significant and positive relations implying that there is a positive and significant relationship among variables; knowledge, skills and abilities.

Conclusion

In conclusion, the current employment crisis is the result of the cumulative inability to achieve an effective connection between employer expectations and perceptions from the graduates. There are multifaceted reasons for this apparent disarticulation between employers' perception and expectations and competencies of the graduates which is ministry of higher education, universities and employers. If those parties work together the output will be outstanding. The major objective of this research was to find out the employers' expectations and perceptions of business and economic college graduate's competencies in Ethiopia with specific reference to south Wollo and Oromiya zone. Therefore, the researchers concluded that with observing the result of the analysis of the different variables, there is a big gap between employers' expectation and the graduates' competencies of business and economic college in Ethiopia. The results showed that the respondents said there is a lack in skills, knowledge and abilities of the graduates. Furthermore, the analysis has shown that there is a good and significant relationship between knowledge, skills and abilities of the graduates.

Based on the conclusions and findings, theoretical part, observation and some personal interviews conducted by a researchers with some of the respondents in different organizations in south wollo and Oromia special zone in Ethiopia, the researchers recommended some recommendations with the hope that they can be used to improve and update the competencies of the graduates in the business and economics college. Developing graduates' skills, knowledge and abilities and it should be included in higher institutions strategies. Universities need to reflect the promotion of employability skills and attributes in their mission statements, learning and teaching strategies, course frameworks, strategic documents and practical guidance. Creating a service center to communicate with organizations to know the market demand. Improving and updating the university curriculum to match the market demand and to fill the gap.

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