

DEDICATION

***THIS THESIS IS DEDICATED TO MY PARENTS,
SAJIDA JAVED AND M.B JAVED MALIK.
I OWE MY PARENTS A BIG THANKS FOR THEIR
ENDLESS LOVE, SUPPORT AND
ENCOURAGEMENT.***

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Abstract

Textbooks and academic articles have much to say about what leadership expect from the future work force and the soft skills that the employees should have for fitting into a job but how do their constructs relate to actual leadership expectations. Corporate vision and mission statements and the leaders who stand behind them invariably state that “people are our most important asset.” This qualitative study presents reality from the perspective of CEO’s and Top Executives seeking that, Are employers interested in soft skills? Identifying important soft skills that employers look for when recruiting employees? Identifying the most important skill set for employers? This study through triangulation strategy content analyzed the literature, interviews with CEOs and Top Executives that appeared in 2011-'12 in The New York Times "Corner Office" series (n=30) and in-depth interviews from the national representatives (n=8) to investigate these questions. The study uses a purposive and non- probability sampling technique. NVIVO a qualitative software tool was used to transcribe, read, review, code, enter and analyze the data. The findings suggest that soft skills are considered vital by the corporate world. The findings identified 19 soft skills and 104 sub skills and grouped them into 5 clusters, Analysis indicated that cluster of relationship and service skills is considered as most important by the top executives of the corporate world. The thesis offers insight and direction to executives in all areas of the organization, but especially to senior HR executives so as to enhance organizational effectiveness.

Abbreviations

CEO	Chief Executive Officer
HR	Human Resource
EI	Emotional Intelligence
IDC	International Data Corporation
EQ	Emotional Quotient
IEEE	Institute of Electrical and Electronics Engineers
IQ	Intelligence Quotient
HECSU	Higher Education Careers Service Unit
ITTA	International Technology and Trade Associates
ACM	Association for Computing Machinery
SIGCPR	Special Interest Group on Computer Personnel Research
EQ-I	Emotional Quotient- Inventory
GAO	Government Accounting Office
TMP	Talent management program
CIO	Chief Information officer
ECOTEC	Emissions Control Optimization Technology
URL	Universal Resource Locator
A.M	Ante Meridiem
P.M	Post Meridiem
SMEDA	Small and Medium Enterprise Development Authority
LUMS	Lahore University of Management Sciences

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CHAPTER 1

INTRODUCTION AND BACKGROUND

1.0 Chapter Overview

Chapter 1 presents the introduction (section 1.1), background of the study (section 1.2), importance of soft skills for employers (section 1.3), the statement of the problem (section 1.4), rationale (section 1.5), objectives of the research (section 1.6), the research questions (section 1.7), significance of the study (section 1.8), definition of the terms (section 1.9) and the organization of the study (section 1.10).

1.1 Introduction

Researchers and practitioners alike have raised the issue of the misalignment between the competencies which the business graduate attempts to impart and the competencies which the managers need while on job (Anwar et. al. 2006; Blass & Weight, 2005; Elliott & Goodwin, 1994; Gupta et. al. 2007; Kleiman & Kass, 2007; Rubin & Dierdorff, 2009; Smith, 2002). This research is an exploratory research which seeks to explain which soft skills employers require and value for the employees. During the course of time man has establish that it is necessary to possess skills in order to survive, in the course of ancient times, those skills alternated from the art of war, to the art of rhetoric. In the colonial times, those skills ranged from agriculture, to seamanship, and the industrial revolution diminished the need for employees who were largely self-employed and rural based, and amplified the need for employees with more focused

skills for urban factory work. As an outcome, the need of acquiring soft skills, along with the technical skills, started to progress (Kleiman & Kass, 2007).

The initiation of Sputnik hatched the dawn of the technology age, due to which the need for entirely new skill sets was brought in. Initially, skills concentrated on technical ability, yet, as technology became more conventional, and technical sets became better established and more readily accessible, employers lifted some of the focus to soft skills. Increasing universal outsourcing has also brought about an exploration of what skills are critical to keep in-house. The results of numerous studies show that the “client -facing” skills are critical in-house skills (Elliott & Goodwin, 1994).

Soft skills are those skills which are used when one human interacts with another human. The concept of soft skills was fronted by Dale Carnegie who presented its critical significance in his 1936 book titled as “How to win friends and influence people” this publication of Dale developed the wave for soft skill training and development. The study of soft skills progressed from works by theoreticians such as Gardner in 1985, and Williams and Sternburg in 1998, who used the constructs of Gardner’s intrapersonal and interpersonal components in their work

Researchers at Virginia Tech establish that soft skills indirectly donated to student’s success, even though the student’s academic success was not directly associated to soft skills, students with profound soft skills had more self-efficacy (self-confidence, and knowledge that one can handle any difficulties or challenges commendably), and that having self-efficacy in turn boosted their academic

performance. Substantial research point in the right direction that business professionals have traditionally lacked soft skills (Smith, 2002).

1.2 Background of the Study

Ever since 1986, immense amounts of research are held to examine the evolving topic of soft skills (Anwar et. al. 2006; Blass & Weight, 2005; Elliott & Goodwin, 1994; Gupta et. al. 2007; Kleiman & Kass, 2007; Rubin & Dierdorff, 2009; Smith, 2002). The twofold challenges of competing in a world market and fast evolving technological progressions have call for the remodel of the workplace into an advanced work environment recognized as the high-performance workplace. This setting demands a conduct and coordination toward work that go past step-by-step task performance by expecting employees at all levels to resolve complications, craft ways to progress the measures they use and participate outrageously with associates (Cohen & Baily, 1997). Knowledge workers who authenticate this exceptionally skilled, adaptive fusion of technical and human relations ability are acknowledged by employers as their primary competitive edge.

Job specific methodological skills in a specified field are no longer sufficient as employers tussle to fill a growing number of inter-reliant jobs. A 2002 study of 25 Top Executives of Canadian companies hiring 100 to 500 people displayed that the number one challenge cited by applicants was developing management's people skills in technically-oriented people. Even though many of these professionals were familiar with the prerequisites of what needs to be done, and how to get the job done, many have to struggle communicating this to others and encouraging employees to produce the

finest outcomes (Thach, 2002). The prerequisite to cultivate creativity was also crucial on the list of challenges, with a white paper by IDC Canada Ltd. and Mashtech Quantum bear witness that firms are eyeing for personality traits (soft skills) over technical skills. Himmelsbach reports that “Client satisfaction is not derived from technical skills alone. In fact, personality traits, along with other non-technical skills, such as communication skills and business knowledge, were considered keys to satisfaction” (Himmelsbach, 1999).

Interpersonal skills are repeatedly stated as a much needed soft skill, which overlaps with the expiration of the control and demand manager. Contrasting the workstation of the past, managers can no longer depend on authority and power, expanded through the position they grip in the organization as all employees must now be competent enough to get along with each other. Each person will be expected to be part of the team (Lyons, 1985).

Today’s firms place immense stress on interpersonal skills making the workplace very dissimilar from what it was 20 years ago; therefore, “As the world has changed and the nature of work has changed, the skill set required of managers has changed” (Buhler, 2001). Buhler goes on to clarify one of the causes as to why this transformation has taken place: Devoid of a doubt, for decades the corporate world placed an excessive value on conventionally masculine traits for managers. With the upsurge in the number of women in the workforce for the past two or three eras, more consideration has been given to the conventionally feminine characteristics. This has

developed today to the acknowledgement of implanting more prominence on the soft skills” (Buhler, 2001).

At present, workers and executives join forces to advance the work environment, its efficiency, and service. In the former times, the stress was not on soft skills like it is today. Ganzel states that in contemporary age soft skills have become vital for the workforce. Referring to the inconsistency of the evolving workplace, and the impertinence to which some employees embrace having to practice soft skills, companies now prefer salesperson who are not merely as sales person but are a “despised salesperson” (Ganzel, 2001).

Jacobs-Stewart, a specialized psychologist who works with EI training, come to an agreement by saying, “The world has changed under their feet. In the past, the engineers and scientists could do their jobs in isolation, but today you can’t succeed without collaboration. No longer do we have companies with departments doing just one thing. It is an interdependent world” (Ganzel, 2001). The concept of an inter-reliant world is critical as the pressure is on employees not only to have soft skills to meet consumer satisfaction within a familiar culture, it has now also become essential to perform socially acceptable crosswise several varied cultures.

1.3 Importance of Soft Skills for Employers

Despite the fact of being able to interact well with others has delivered individuals with the talent to obtain and be prosperous in a position, soft skills had not fundamentally been singled out as a recruitment goal. Buhler (2001) enlightens; for years the stress of management stood on the so-called ‘hard’ skills. That is, the importance focused on the

technical skills essential to efficiently perform in the interior of the organization. These skills tending to be more job-specific or more devotedly related to the genuine task being performed (Buhler, 2001). As soft skills can have such a deep impact on the bottom line, it makes sense that companies would be keen to help employees cultivate the competencies that donate to the development of soft skills.

The prospect years give the impression to hold even more emphasis on soft skills, as the IEEE (2006) anticipated of the progressing preference for soft skills, Greg Rich, a recruiting manager at Cargill, Recognize soft skills importance and says that soft skills will be absolutely critical in the forthcoming years (Isaacs, 1998). As Kantrowitz (2005) accounts that in spite of escalating interest in learning the dimensions and estimation of task and related performance, little empirical attention has been given to learning the nature of soft skills performance. Soft skills (i.e., intrapersonal and interpersonal work skills that assist the use of technical skills and knowledge), such as interpersonal skills (e.g., developing rapport) and communication skills (e.g., regulating your message to the marked audience) are highly required by organizations (Zedeck & Goldstien, 2000).

1.4 Statement of the problem

In the existing era of Globalization one might reason that attainment of job should be stress-free, however, in practicality, accomplishment of a job is not all the time easy. Employers have become increasingly selective about whom they employ. While it has long been established that poor hiring judgments can be immensely costly to an organization, hard costs adjoining a bad hire have been calculated at 50-200% of the

first year salary, is reliant on the employee level. Soft costs, including a loss of confidence in management's decision-making skill, potential destabilization of the workforce, and self-esteem problems may have far reaching adverse impact on the organization after a bad hire experience (Gupta et. al., 2007).

A crucial spot filled by a bad hire can setback an organization by years, in position of competitive advantage. The costs adjoining a bad hire can have substantial imprint on bottom-line results so a bad hire aftermaths are far more collective than most have realized. Putting the idea of employing right into logical context, Mark Murphy, CEO, Leadership IQ while talking about published, three-year study of new hire success rates confirmed that it happens frequently, Leadership IQ, a Washington-based research firm, surveyed 5,000 plus hiring managers from 312 organizations involved in more than 20,000 new hire events. 46% of those 20,000 new hires failed within the first 18 months out of which 11% of those failures were due to a lack of technical or professional competence. The huge share of failed hires were linked to softer issues, such as a lack of coachability (26%), low levels of emotional intelligence (23%), motivation problems (15%), and temperament issues (17%). Almost one half of new hires fall short of expectations, predominantly because of fit issues, rather than technical competence (Grigoryev, 2006). The study indicated that there are clearly areas of competency that have not been successfully investigated through the interview process (Grigoryev, 2006).

According to Graduate Prospects, the trading subsidiary of the charity HECSU, Practically two-thirds (64%) of available job opening are open to graduates from any discipline. This exposes the fact that employers are looking for vital soft skills in

graduates which are achieved during study and periods of work experience, rather than degree-specific knowledge (Raybould & Sheedy, 2005).

1.5 Rationale

Hiring managers are well aware that talent management is the key resource mandatory for achieving and sustaining a competitive edge, yet, finding the right person to fit the right job is a thought-provoking business. Few hiring managers can state to have never experienced the penalties contiguous a bad hire judgment. The costs are huge and the lessons painfully learned (Grigoryev, 2006). Prevailing deviations in the work setting, advise that soft skills will be of growing importance to managers in the future. Individual will need interpersonal competencies such as, the ability to detect and respond to the sentiments and emotional state of others, as well as the talent to support others to manage their emotions in a rapidly technically and socially changing world. Research suggests that individuals having profound soft skills will be the most valued and wanted by the corporate world (Sternberg & Williams, 1998).

1.6 Research objectives

The objectives of this study are as follows:

- The determine the importance of the soft skills from the point of view of employers/ Top Executives
- To determine the soft skills that the employers expect to seek in the employees.
- To determine the most important set of soft skills that every business graduate need to incorporate

1.7 Research Questions

Following research questions are formulated to address the main focus of the research:-

R₁: Are employers interested in soft skills?

R₂: Identifying important soft skills that employers look for when recruiting employees.

R₃: Identifying the most important skill set for employers.

1.8 Significance of the Study

Employers today are not willing to hire potential employees who do not meet their recruiting criteria. Employers are looking for the candidate with the proper skills, including soft skills (Moss & Tilly, 2001). Labor economists have noted a prevalent modification in work organization toward increased employee involvement and teamwork (Lindbeck & Snower, 2000). Fan (2005) and associates maintains convincingly that, relative to academic talent, soft skills are increasingly important factor in workplace success (Fan et. al., 2005).

These statements recognized that it takes a blend of skills to succeed as an organization however, Raybould & Sheedy (2005) states that employers are willing to pass by job candidates who have high technical skills and low soft skills to decide on for the applicants who display a developed understanding of soft skills. Hence this study will be an attempt to help the graduates to know about the important soft skills that are essential, and that they need to possess. It would be helpful for human resource

recruiters to identify the types of soft skills that they need to look for in the employees. While identifying the significance of soft skills, the study will attempt to create further knowledge that will be an addition in academic knowledge.

1.9 Definition of terms

In the past few years, research has been conducted and employers have been asked the skills they want to see in employees. Time after time the results remain consistent. The soft skills are in demand (Buhler, 2001). Soft skills encompass many behavioral qualities and show a discrepancy by definition from one person to another. Many authors have written about development of soft skills (Pulko & Parikh, 2003). Whitmore & Fry (1974) defined soft skills as important job-related skills that involve little or no interaction with machines and whose application on the job is quite generalized. Soft skills complement hard skills and fulfill an important role in shaping individual's (Schulz, 2008). Studies have suggested that no generic model or set of indicators for the measurement of soft outcomes can be 'fit for purpose' across all learning aims and groups of learners (ECOTEC 1998; Dewson et. al., 2000; Lloyd & O'Sullivan, 2003), yet it impossible to devise a universally applicable set of employability skills, concluding that requirements are dependent on job type, industry sector and career stage. Therefore there have been many attempts to build up taxonomy of soft skills and describe the underlying dimensions of competencies. Still, no large consensus has been reached yet. Approaches differ with regard to the number of dimensions as well as the level of abstraction of analysis, although soft skills are composed of a number of distinct proficiencies, most agree they share certain basic

characteristics (Martin, 2008; Martin et. al., 2008). A central theme to what is contained within or under the soft skills umbrella is as follows:

Personal Competencies: The elements of personal competence includes skills like Self-awareness, emotional awareness, accurate self-assessment self-confidence, self-regulation, self-control, trustworthiness conscientiousness, adaptability (Carmeli, 2003).

Social Competencies: Social competencies is gauged through Relationship management skills, people development skills, leveraging diversity skills (Carmeli, 2003).

Social Skills: Individuals social skills comprise of influencing, Communication, Leadership, Change catalyst, Conflict resolution, negotiating, Building bonds, Collaboration and cooperation, Team capabilities (Carmeli, 2003).

Critical Thinking: Critical thinking refers to higher order thinking that questions assumptions (Brookfield, 2003). It is an intellectually disciplined process of actively and skillfully conceptualizing, applying, analyzing, synthesizing, and/or evaluating information gathered from, or generated by, observation, experience, reflection, reasoning, or communication, as a guide to belief and action (Scriven & Paul, 1987). Critical thinking is the mainstay of the most essential workplace skills, and is a strong attribute in people with good analysis and problem-solving skills, ability to learn quickly, creativity and potential for career advancement (Chartrand et. al, 2009).

Teamwork Skills: Work is conducted in teams at a high proportion of companies that come from various areas, have various sizes and various kinds of organizational

cultures. Almost everyone has at some time in their careers been confronted with the challenge of completing a task efficiently within a team. Efficient teamwork depends on the presence of team skills of each member. These also comprise communication skills that are necessary to organize effective and satisfying interactions with coworkers, colleagues, suppliers and customers. Teamwork is getting more and more important in the work-place. It has become highly popular over the last decades (Legree, 1995).

Planning & Organization Skills: Planning & Organization covers a broad cluster of abilities and capabilities related to persistence and purposeful striving towards goals as well as being self-organized and using the right tools to organize time (Day et al., 2000). Planning & organization skills are essential for coping with everyday tasks and objectives in general and job-related issues in particular. It can be cut down into various narrower traits and behavioral styles. Elements are for instance self-discipline, striving for perfection, carefulness, effective time management, thoroughness, organization, deliberation and will to achieve (Stoeber & Otto, 2006).

Leadership Skills: Leadership is one of the oldest research fields and often lies in the focus of assessment centers or other methods of personnel development and coaching programs (Bass & Stogdill, 1990). It encompasses the ability to influence and enable others to contribute toward the success of their work unit or organization. Leadership skills enable successful managers to interact effectively with their coworkers, motivate employees, manage projects, delegate tasks and be a good representative of their respective company (Bass, 1998).

Conflict Management Skills: Conflict management is an important competence for social life, in particular at the work-place (Gross and Thompson, 2007). “To have common mission/purpose, shared values and goals, agreements and policies clear and in writing, fair, participatory decision-making process, creating community spirit, buddy system, wisdom circles, staying in touch with each other emotionally, adopting communication agreements consist of: not speaking until another person is finished speaking, addressing each other respectfully, no hurtful physical contact, ... bring in an outside mediator, serving as kindly “fair witnesses” in meetings between community members in conflict, active listening, nonviolent communication, process work, voice dialogue and another cases are the ways for handling conflict” (Weber et al., 2004).

Creativity: Creativity is especially important in an employee empowered workplace where employees must problem solve. Creativity is often described as a thinking skill or at least as an important aspect of thinking that can and should be fostered (Buhler, 2001). Creativity is also commonly cited as a much needed soft skill. Buhler says, “Those employees who are creative will contribute extraordinary efforts to today’s organization and will help outline the vision of tomorrow’s organization. Companies have learned that they cannot conduct business the same way they did even ten years ago. Today’s changing environment requires companies to adapt to the current world. This means employing people who ‘think outside the box’” (Buhler, 2001).

Communication Skills: Communication is the transmission of meaning from one person to another or to many people, whether verbally or non-verbally. Communication from one person to another is commonly depicted as a simple triangle consisting of the context, the sender, the message, and the receiver (Hoggatt, 2003). Hoggatt (2003)

claimed that communication skills are essential for success; consequently, students should be provided with skills that prospective employers are seeking. Wilson (2003) agreed and observed that business courses should provide students with the necessary skills to conduct business research while developing the analytical thinking and communication skills of students.

1.10 Organization of the Remainder of the Thesis

The remainder of the study is ordered into four chapters. Chapter 2 comprises of literature review of associated scholarly research and articles repossessed from either peer reviewed publications or scholarly periodicals. Chapter 3 will discuss the methodology that is used for this study, and chapter 4 will project the study findings. Conclusions, contribution and recommendations of the study will be discussed in chapter 5.