

A Rapid Assessment on the Industry Needs of Davao del Sur

RANDY A. TUDY

randytudy@cjc.edu.ph
Dean of Graduate School
Cor Jesu College

GLADYS M. GARCIA

gmembrano@gmail.com
Research Associate
Cor Jesu College

Abstract-Job mismatch continues to be a problem in many countries and it poses a real challenge to the academe. In the Philippines, the Commission of Higher Education (CHED) imposes a moratorium on selected courses. One of the main reasons of this action is job mismatch. This study aimed to determine the needs of the industries in the province of Davao del Sur. It employed qualitative design using the a Rapid Assessment Process (RAP). Key Informant Interviews (KIIs) of human resource managers or recruitment in-charge of participating companies were conducted. The findings revealed that computer literacy, oral and written communication skills, interpersonal skills, possession of the required industry-specific skills and good character are essential factors the industries look for when hiring a potential employee. These industries also expressed expansion plans which would mean additional manpower in the near future. These identified core skills, except for some industry specific skills, are provided in the curriculum of the schools within the province. Moreover, the implementation of the K to 12 Program, which integrates TESDA competencies, is a welcome development. However, the schools must level up and address the specific needs in order to be relevant and responsive to the needs of the industries.

Keywords: *Business Management, Industry Needs, Rapid Appraisal Process, Philippines*

INTRODUCTION

The world economy continues to plunge and economies of countries in the European Union such as Portugal, Ireland, Greece and Spain have plummeted. These economic conditions had direct effects to global and local employment.

The growing unemployment is also aggravated by underemployment or skills mismatch. Siemens CEO, Eric Spiegel, credit unemployment in the United States as due to lack of qualified workers, especially in highly technical fields. Globalization of economic activities, technological advancements and evolving demands of the society also requires the academe to be at par with these demands and changes (Tiwari & Kaushik 2011). Since educational institutions fell short with the challenge, Tiwari and Kaushik (2011) concluded an existing skill gap between the demand and supply of technical human resource. To address this, colleges and universities should continually assess and modify curriculum of their programs (Fuhrmann & Grasha, 1983 as cited in Garton & Robinson, 2006) to prepare them for the demands of their chosen careers (Evers et al, 1998; Martin et al., 2000; McLaughlin, 1995 as cited in Garton & Robinson, 2006). Adjustments in the curriculum should reflect the needed employability skills (Garton & Robinson, 2006).

In South Korea, Jung (2012) describes the current job-seeking scenario where in the South Koreans are faced limited jobs facilitated by the surplus of graduates coupled with slow economic growth. As a result, Jung (2012) added that this made South Korean government launch a campaign to encourage more youngsters to bypass university or college and pushing more businesses to hire school-leavers. It may not be long before other big economies in Asia and in the world may follow South Korea's course. In fact, similar situation is reported among Japanese university graduates (The China Post, 2011). Several studies have already reported on this problem which continues to pose a big challenges for countries all over the world (Cunningham, 2014; Gabor, 2014; Abel, Deitz & Su, 2014; Nunley, Pugh, Romero & Seals, 2014; Spreen, 2013).

Underemployment is also a problem in the Philippine economy and the Commission on Higher Education already released a memorandum (CMO 32, series of 2010) on the moratorium of college programs that are already saturated by graduates. According to the International Labor Organization (ILO), the Philippines has the highest unemployment rate among the members of the Association of Southeast Asian Nations (ASEAN) with 7.3% as of 2013 (Santos, 2014). It was also reported that one of the main reasons for unemployment, especially among college graduates, is the lack of skills for jobs that are available (Bernabe, 2013).

In a way, as an educational institution, CJC wants to mitigate the effects of the employment crisis to its graduates. The institution feels more compelled to strengthen basic education and college programs. For the BED, the school wants to ensure that its future Grade 12 or high school graduates who wish to defer college pursuits may be eligible for local and national employment while in the college. CJC hopes that its graduates join the ranks of those who are

sought for because of work efficiency. As the K+12 program requires curricular revisions in the Basic Education Department and college programs, CJC wants to ensure that these revisions will address employment issues of companies in the region and future CJC job seekers.

OBJECTIVES

The main objective of this study is to determine the needs of the industries in Davao del Sur. Knowing these needs and the necessary skills that the industries expect from potential workers serve as a vital feedback for the academe to improve its curriculum and tailor its program and services.

METHODOLOGY

This study used qualitative research technique specifically in the assessment of recruitment needs and concerns of industries in the province. Key-informant interviews were conducted to come up with a rapid assessment of the available manpower vis-à-vis recruitment in Davao del Sur. The Rapid Assessment Process is an investigative procedure to determine complex situations under a limited time frame. The methods required semi-structured interviews and respondents are purposely identified (Beebe, 2011). Different industries were considered like banks, cooperatives, retail distribution, hotels, food distribution, hospitals and manufacturing companies. Letters of permission were sent to managers with follow-up telephone calls to get the consent of the one who will be interviewed. Only those who gave the permission were considered for the interview. The key-informant interviews were conducted in the different areas in Davao del Sur where the participating industries were located. Moreover, interviews with key personnel of the Davao City Chamber of Commerce and Trade, Inc. and the Department of Trade and Industry were conducted in Davao City since these two agencies provided data needed of the study. All interviews were done at the offices or at the place prepared by those being interviewed. Responses were transcribed verbatim. Using thematic analysis, the focus of the analysis was the words, phrases and meanings of the answers of the interviewees.

RESULTS AND DISCUSSION

The respondent industries included 4 Banks, 1 Savings Cooperative, 2 Retail Distribution Companies, 2 Hotels, 1 Food Distribution Company, 1 Hospital and 5 Manufacturing Companies.

These companies were tapped because they were known to be among the key players in harnessing the economy of Digos City and the province. The key people interviewed in the industries were the human resource managers or recruitment in-charge.

Needs of the Industries and Companies in terms of Skills Requirement

Different skills were identified by the companies and these skills were specific to their operational requirements. However, some skills were recurring and are repeatedly mentioned by the recruitment managers being interviewed. They were interested of these skills for their potential employees. These skills are: Computer Literacy, Oral and Written Communication, Interpersonal, Accounting, Marketing, Engineering and Culinary Arts. Also, the considered Good Moral Character as one important aspect of the person which is considered in the hiring evaluation.

Computer Literacy

Most managers shared that the daily operations in their company require the use of computer and its related applications. This is really considered very important in almost all industries included in the study. Indeed, companies and industries cannot be left behind of the advancement of technology. Since computer use has been mostly integrated in education, managers assume that graduates are already equipped with the skills and will not invest on time and money to train new employees on the use of computer and its basic applications.

Oral and Written Communication Skills

A good number of the respondent managers highlighted the need for potential applicants to be good in spoken English as well as in correspondence. This particular skill is also one of the bases for an employee's promotion. Since most of these companies are service-related industries, conversational skills are important and these include telephone etiquette and presentation skills. One manager raised the need for interventions from the academe to develop engineers to be good in English.

The service-orientation of other companies requires employees to communicate to customers and business partners in written correspondence. Memos are also circulated and in most cases the staff is asked to draft the memo. Documentation is also important to record meetings, activity reports and in addressing client concerns. In Young's (1995) study on communication in the workplace, she shares that administrative assistants may be asked to compose parts of the manager's formal report. Although this may be common to smaller companies, a lot of companies are cutting down personnel, and everybody is expected to write and speak well (Maellaro, 2008).

Interpersonal Skills

The managers emphasized the need for potential employees to relate well with the customers and colleagues. Since operations in the company require everyone to work as a team, an employee who isolates his or herself may be detrimental to the company's goal. One manager also shared that it is difficult to maintain emotionally unstable individuals in the workplace. In the interviews some managers alluded interpersonal skills with good moral character and values. Several studies (Lolli, 2013; Robles, 2012; Orme, 2008) confirmed that interpersonal skill is one of the necessary skills

Accounting

Recruitment managers from banks and cooperatives were unanimous in identifying accounting as a basic competency that they expected from their prospective employees. They also preferred applicants who are graduates of Accountancy Program or any related accounting course.

Marketing

Similarly, for recruitment managers from banks and cooperatives, they also preferred graduates with strong marketing skill as this skill is needed with the kind of business or services they are offering.

Engineering Skills

Engineering skills particularly in Mechanical, Electrical, Mechatronics and Robotics are the needs of industries such as San Miguel Corporation, DASURECO, DASUCECO, and DCWD.

Chemical and Agriculture Related skills

For industries like DASUSECO, chemical engineers, agriculture scientists and related vocational skills in chemistry and agriculture are required for their operations. Recruitment managers in this sector admit that they have difficulty looking for potential employees since there are not much courses offered by the tertiary institutions in the province.

Culinary Arts

True to their line of business, hotels and restaurants emphasized the needs for skills in culinary and table and venue presentation skills. Somehow

this sector is able to hire non-college graduates as these skills can be acquired through vocational training, however for administrative or related positions a four-year degree is necessary.

Good Moral Character

Surprisingly, while the focus of the study was on identifying skills or competencies, a non-technical skill requirement surfaced and this is the ability of a potential employee to exhibit good moral character. For instance, one manager emphatically singled out good moral character as the most important factor an applicant should possess. This manager considered it as of prime importance since other skills can be taught. It is also easy to manage when an employee embodies or shows good behavior. The emphasis for this trait is shared by some managers from different industries being interviewed.

Interestingly majority of the skills and competencies required by these companies are not new and in fact are integrated in the curriculum of the different college courses offered by CJC, with the exemption of skills related to robotics, chemical and agricultural production. The recruitment managers did not say whether newly hired CJC graduates satisfy all their identified skill requirements but their general assessment of our employed graduates ranged from good to very satisfactory.

Results of the interviews conducted with the human resource managers or recruitment personnel suggest that Cor Jesu College as the largest academic institution in the province has been a top provider of professionals in the different companies and institutions in Davao del Sur. Furthermore the skills that these companies are looking for are also the basic skills embedded in the different program curricula. However, the college has not been consistently identified as provider of manufacturing professionals equipped with skills in robotics, PLC programming and other related programs currently used in manufacturing.

Future Directions of the Industries

In order to forecast and to prepare graduates of Cor Jesu College in the future plans of the industries, the managers were asked about their company's future directions.

Recruitment

Eleven companies said they have no recruitment problems as of the moment. However for some companies applicants were not being serious in

pursuing applications. Others got discouraged of the location of the company. Further, they are more interested of job opportunities abroad. Moreover, there were very few applicants for highly specialized technical positions such as Medical Technologists, Pharmacists, Radiation Technologists, Chemists, Materials Scientists, PLC technicians and the like.

Some companies also expressed difficulty in looking for potential employees in the region. For them only few schools are offering the skills they look for.

Expansions

All companies shared future expansion plans in the region. Most of the banks shared that expansion will take place in the next five years, and cooperatives like USPD will be expanding in 6 areas in Mindanao. DCWD will be opening more pumps requiring more water-related technicians and engineers. The growing number of DASURECO consumers will also demand additional work force. Hotels and restaurants in Digos may be expanding while manufacturing industries will do the same. Gaisano will be opening branches in Toril, Polomolok and Kidapawan. It will also put up a hotel and arcade in Digos City.

Local Jobs Available

Aside from the industries that were visited, the research team also included the Davao City Chamber of Commerce, Inc. (DCCC). Its Executive Director, Ms. Mary Ann Abundo predicted a growth of agricultural sector in the region and increase in ICT and tourism will be increasing. She also shared that digital animation investors are eyeing Davao del Sur for its development and expansion.

Presented in Table 4 are the results of the survey on the specific manpower requirements of different industries in Region XI for 2012-2016, a collaborative project of DTI, TESDA and DOLE revealed a total of 31,846 local job positions available in the key economic industries.

Table 4. *Industry requirements summary for Region XI for 2012-2016*

Sector/ Industry	With Training Regulation*	With Training Regulation**	No Training Regulation	Total
Banana	600	95	100	795
Coconut	215	-	745	960
Construction	2690	160	-	3120
ICT	16,650	-	100	16,750
Livestock and poultry	-	-	-	-
Machineries	2525	100	1180	3805
Mango	1430	50	-	1480
Seaweeds	-	-	770	770
Woods	-	-	265	265
Mining	Requirements yet to be quantified			
Tourism	3901	-	-	3901
Total	28,281	405	31,360	31,846

*with TVET providers

**no TVET providers

Majority of these available local jobs identified in this collaborative effort of DTI, TESDA and DOLE require TVET (Technical-Vocational Education and Training) certifications. The TVET is a system of the TESDA that helps address changes in the local job market. The TESDA-accredited TVET institutions in the Philippines provide education and training opportunities to prepare students and other clients for employment. It also addresses the skills training requirements of those who are already in the labor market who would need to upgrade or acquire new competencies to enhance employability, improve productivity, or facilitate career shift.

CONCLUSION

Most of the preferred requirements of the industries are the usual things asked of new employees such as communication, interpersonal skills and industry-specific skills. In addition, it is clear that the preferred specific skills of the industry are those which require TESDA accredited competencies. Since the K to 12 Program of the Department of Education is in place of which TESDA-related competencies are embedded, a big possibility that the needs of the industry will be served. Students do not need to go to college for a degree in order to work.

The implication of these findings in the college level is to consider integrating TESDA related skills and the equivalent accredited competencies. For a college graduate to be more competitive in landing a job, he/she must have other competencies recognized by TESDA. On the part of students, as well as parents, career guidance is necessary to gain information about the real needs of the industry to facilitate proper decision in choosing a course. Cor Jesu College and other educational institutions play an important role in relation to providing skilled manpower to the industry. It is important for these institutions to tailor their course offering in the K to 12 Program and higher education to the needs of the industry. Moreover, the highlight on the character of each employee is a universal concern. Based on the findings of this study, employee character is seen to be a facilitating factor for a healthy work environment. Hence, HR managers meticulously screen applicants with emphasis not just on skills but also good behavior. It is not just a matter of intellect and skills. One must possess a pleasing personality.

LITERATURE CITED

- Abel, J. R., Deitz, R., & Su, Y. (2014). Are recent college graduates finding good jobs?. *Current Issues in Economics and Finance*, 20(1).
- Beebe, J. (2011). *Rapid assessment process*. Retrieved 17 October 2012, from <https://sitesgoogle.com/a/save.org.ge/dme/Home/rapid-assessment>.
- Bernabe, K. (2013). Schools, industries seek ways to reduce unemployment of college students. Retrieved August 8, 2014 from <http://newsinfo.inquirer.net/516171/schools-industries-seek-ways-to-reduce-unemployment-of-college-graduates>
- CMO 32, series of 2010 (2010). Retrieved August 8, 2014 from <http://www.ched.gov.ph/wp-content/uploads/2013/07/CMO-No.32-s2010.pdf>
- Cunningham, J. (2014). *Genres of Underemployment: A Marxian and Qualitative Analysis of College Graduate Underemployment* (Doctoral dissertation, UNIVERSITY OF CINCINNATI).
- Gabor, M. (2014). New College Degree in Hand: Now What. *Monthly Lab. Rev.*, 137, 1.
- Garton, B.L. & Robinson, J.S. (2006). Career paths, job satisfaction, and employability skills of agricultural education graduates *NACTA Journal* 40 (4) 31.

- Jung, H. (2012). Young South Koreans face jobless woes with graduate glut. *Yahoo! News Network*. Retrieved 11 October 2012, from <http://sg.news.yahoo.com/young-sith-koreans-face-jobless-woes-graduate-glut>.
- Lolli, J. C. (2013). Interpersonal communication skills and the young hospitality leader: Are they prepared?. *International Journal of Hospitality Management*, 32, 295-298.
- Maellaro, R. (2008). *Determining the ideal combination of interpersonal skills for MBA graduates: A conjoint analysis study of hiring manager preferences*. (Order No. 3321019, Fielding Graduate University). ProQuest Dissertations and Theses, , 258-n/a. Retrieved from <http://search.proquest.com/docview/304838348?accountid=37714>. (304838348).
- Orme, V. (2008). You will be ...: A study of job advertisements to determine employers' requirements for LIS professionals in the UK in 2007. *Library Review*, 57(8), 619-633. doi:<http://dx.doi.org/10.1108/00242530810899595>
- Quiros, J. (2012). Lacks of skills surfaces as few get jobs in fairs. *Philippine Daily Inquirer*. Retrieved 17 September 2012, from <http://newsinfo.inquirer.net/187049/lack-of-skills-surfaces-as-few-get-jobs-in-fairs>.
- Robles, M. M. (2012). Executive perceptions of the top 10 soft skills needed in today's workplace. *Business Communication Quarterly*, 75(4), 453-465.
- Santos, M. (2014). Ph has highest Asean unemployment rate- ILO Report. Retrieved August 8, 2014 from <http://globalnation.inquirer.net/103286/ph-has-highest-asean-unemployment-rate-ilo-report>
- Spreen, T. L. (2013). Recent college graduates in the US labor force: data from the Current Population Survey. *Monthly Lab. Rev.*, 136, 3.
- The China Post (2011). Japan's Graduates face unemployment. Retrieved August 8, 2014 from <http://www.chinapost.com.tw/asia/japan/2011/01/19/288270/Japans-graduates.htm>

- Tiwari, D. & Kaushik, P. (2011). Aligning industry needs with skill development at educational Institutions. *The Business Review* 17 (2) 237.
- Young, N.M. (1995). *Communication skills in the workplace: Employers talk back*. Retrieved 03 September 2012, from <http://www.nccei.org.newsletter/comskills.html>.