

## **Stakeholders' satisfaction on the performance of employees graduated from private higher education institutions: the case of Paradise Valley College**

Bewunetu Zewude

Wolaita Sodo University, Department of Sociology, Email: bewunetuzewude@gmail.com

### **Abstract**

Besides the rapid expansion of higher education institutions in Ethiopia, serious concerns have been expressed about an increasingly wide gap between the skills and capabilities of graduates, and the requirements and demands of the work environment in an increasingly mobile and globalized society. The objective of the present research was to examine employers' satisfaction on the performance of employees trained by and graduated from Paradise Valley College. A cross-sectional descriptive and analytical survey research designs were used in which a structured questionnaire was distributed to 200 employers and/or managers using both convenience and snowball sampling techniques. Quantitative data were collected from 130 respondents who properly completed the questionnaire. Data were entered in to SPSS version 20 for further analysis. The aggregate mean of employers' satisfaction on employees' overall qualities was found to be 4.08. Moreover, from 130 respondents who participated in the survey, 106 (81.5%) replied that they are satisfied with the overall performances or qualities of employees graduated from the college. In addition, 76.9% of respondents agreed that graduates of Paradise Valley College are significantly contributing to the goal of the organizations in which they are currently employed. Above all, 73.1% of employers said that they anticipate hiring more graduates of the college on the basis of the performance of employees currently serving in their organization. Results of bivariate correlation statistics showed that employers' overall satisfaction on the graduates of the college is associated to the sex (0.034, 95CI) of employers. Employers and/or managers are satisfied with the performance and overall qualities of employees trained by and graduated from Paradise Valley College. Nevertheless, employers showed dissatisfactions on employees' general skills. Therefore, the college should strengthen its laboratories to fill the gaps of trainees in general skills related to the use of equipment.

**Keywords:** Employers, Employees, Private higher education, Satisfaction, Paradise Valley College

## **Introduction**

Modern economy needs highly trained and skilled human resource; higher education institutions across the globe are increasingly required to produce highly skilled graduates who are able to respond to the ever changing and complex needs of the contemporary workplace (Sleezer et al., 2004). The industry defines the characteristics and skill requirements of its workforce, which may or may not be matched by the graduates being produced by higher education institutions (Henok, 2018). Besides the rapid expansion of higher education institutions in Ethiopia, serious concerns have been expressed about an increasingly wide gap between the skills and capabilities of graduates, and the requirements and demands of the work environment in an increasingly mobile and globalized society (Elias and Purcell, 2004).

Graduates labor market entry is influenced by economic conditions, including employers' needs, and the characteristics of the educational systems (Wolbers, 2007). There has evolved a significant body of research and policy literature that focuses on a group of perceived problems that besets education to labor market transitions for graduates (UKCES, 2014). This is coupled with a growing realization that the linkages between skill production and skill demand and utilization to create a competitive edge are much more complex and much less automatic than we used to believe (UKCES, 2014).

Henok (2018), studied the employability of business graduates of Addis Ababa University and concluded that both personal qualities and meta-cognition have a positive and direct effect on employability of graduates. Misganaw (2013), on the other hand, found that graduates of recent years lack the appropriate attitude, practical skills, professionalism, discipline, integrity, readiness to learn new things, and willingness to take responsibilities for their own actions. According to Bewket (2013), there is a wide discrepancy between employers' expectations and the performance of graduates.

Researches about the relationship between higher education institutions and the labor market in Ethiopia have been preoccupied by undertaking tracer studies of graduates from various public Universities (Jerusalem, 2016; Henok, 2018; Siraye et al., 2018). These studies emphasized on finding out the destinations of graduates from the Universities under consideration and the different qualities that employers perceive to be most desirable from their employees. Issues related to how much higher education institutions in Ethiopia are producing competent graduates that are able to satisfy employers have remained to be a neglected enterprise. Above all, the few

studies made on higher education institutions and the labor market in Ethiopia have targeted on graduates of the public ones while both destinations as well as competencies of graduates from the private higher education institutions are still left open for investigation. The purpose of the present study was therefore, to examine the satisfaction of employers of various organizations on graduates of private higher education institutions in Ethiopia, taking Paradise Valley College as a case study.

## **Materials and methods**

### Study design

The research was a cross-sectional survey design. The researcher used both descriptive and analytical survey study designs in an attempt to answer the basic research questions.

### Sampling technique

Paradise Valley College is a higher education institution that has always been admitting students irrespective of the residential background of candidates, a feature which makes it a national educational institution. Therefore, the survey populations of the study were all employers/human resource managers/ supervisors in Ethiopia where the graduates of Paradise Valley College are employed during the time of survey. Oromia and SNNPs regions were purposively selected due to the fact that most graduates of the college have always been from these two regions perhaps mainly because of their relative geographical proximity to Shashemene town where the main campus is located.

Employers and/or managers in all sectors of organizations were considered using both convenience and snowball sampling techniques. Accordingly, banks, insurance companies, public sector organizations, non-governmental organizations, both private and public health facilities, and privately owned enterprises were targeted given the relevance of the organizations to the disciplines that are taught by the college. Ultimately, a structured questionnaire was distributed to a sample of 200 employers/managers from which only 130 appropriately completed and returned.

### Data collection method and analysis

Under the quantitative research approach, survey research method was used in this study. A structured self-administered questionnaire was prepared. The questionnaire contained both open-ended and close-ended questions. It was structured into four sub-sections: questions seeking background information, employers' satisfaction on the personal qualities, specialized skills, general skills, and knowledge and attitude of employees. The questions included "yes" "or", likert scale and some semi-structured ones. Data collectors and supervisors were trained about the objectives of the research, the questionnaire, and techniques of approaching respondents for the sake of gathering quality data. A pilot test was undertaken on same survey population but on a different sample prior to the main data collection to check for the appropriateness, relevance and correctness of the questionnaire and its compatibility to the literacy of respondents. The actual data collection process was undertaken in August 2019. Data were inserted into SPSS version 20 for further processing. Then, the data were analyzed and presented using both descriptive and inferential statistical tools such as frequency distribution tables, percentages, charts, and bivariate correlation.

### **Results**

According to the employer related background information, 76.2% of employers are males while the remaining 23.8% are females. Most of the respondents (50.8%) are within the age range of 31-40 years and employers participated in the survey that are 61 years and above constitute only 0.8%. Furthermore, 87 of 130 respondents are Bachelor degree holders while 26.9% and 5.4% are Masters and diploma holders respectively. Above all, 57.7% of research participants replied that they are at managerial position, followed by 14.6% who answered to have occupied positions other than those listed on the instrument (Table 1).

### Employers' satisfaction

The finding on the employers' satisfaction on the personal qualities of employees trained and graduated from Paradise Valley College reveals that, the average (mean) level of satisfaction of employers where the aggregate mean for employers' satisfaction on the personal qualities of employees we found to be 4.2. Data presented in the table also show that employers are relatively better satisfied with the self-confidence (4.4) and the ability of employees to listen and

understand others (4.4) than other attributes of the graduates. Data showed that employers are satisfied with the personal qualities of the employees (Table 2 and Fig. 1).

Table 1: Employer related background information

Variables	Categories	Frequency (%)
Sex of employer	Male	99 (76.2%)
	Female	31 (23.8%)
Age	21-30	40 (30.8%)
	31-40	66 (50.8%)
	41-50	19 (14.6%)
	51-60	4 (3.1%)
	≥61	1 (.8%)
Educational background	9-12 (high school)	1 (.8%)
	10+3(diploma holder)	7 (5.4%)
	Bachelor degree holder	87 (66.9%)
	Master's degree holder	35 (26.9%)
Position of the employer in the organization	Executive	3 (2.3%)
	Managerial	75 (57.7%)
	Owner	10 (7.7%)
	Advisor/consultant	9 (6.9%)
	Board chair person	8 (6.2%)
	Delegate	6 (4.6%)
	Other	19 (14.6%)
	N	130 (100%)

The average level of employers' satisfaction on the overall specialized skills was found to be 4.18. Comparison among the various constituents of specialized skill indicates that employers are relatively better satisfied with employees' responsible use of organizational resources (4.3) followed by effectiveness (4.2) and professional expertise (4.2) than the other elements, as shown in table 3. It implies that employers are again satisfied with the graduates of the college (Table 3).

Table 2: Employers’ satisfaction on graduate’s personal qualities

Value	Flexibility	Creativity	Listening and understanding	Self-discipline	Willingness to learn	Accepts responsibility	Dedication and commitment	Punctuality	Team work	Self confidence	Work independently
Mean	4.3	4.1	4.4	4.4	4.2	4.1	4.1	4.2	4.3	4.2	4.2
Median	4	4	4	4	4	4	4	4	4	4	4
Minimum	2	2	3	3	1	2	2	2	2	1	2
Maximum	5	5	5	5	5	5	5	5	5	5	5

Where 5=highly satisfied, 4=satisfied, 3=not sure, 2=dissatisfied, 1=highly dissatisfied

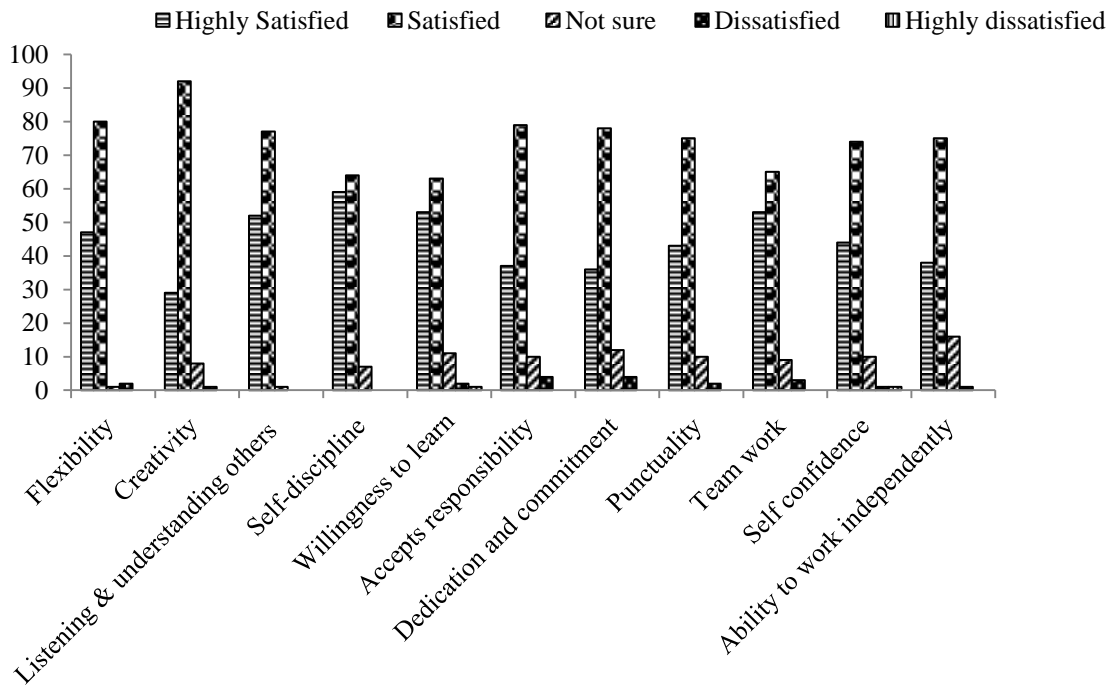


Figure 1: Employers' satisfaction on personal qualities of graduates

Table 3: Employers’ satisfaction on graduates’ specialized skills

Value	Responsible use of organizational resources	Effectiveness	Efficiency	Professional expertise	Professional demeanor
Mean	4.3	4.2	4.1	4.2	4.1
Median	4	4	4	4	4
Mode	4	4	4	4	4
Minimum	2	3	3	2	1
Maximum	5	5	5	5	5

Where 5=highly satisfied, 4=satisfied, 3=not sure, 2=dissatisfied, 1=highly dissatisfied

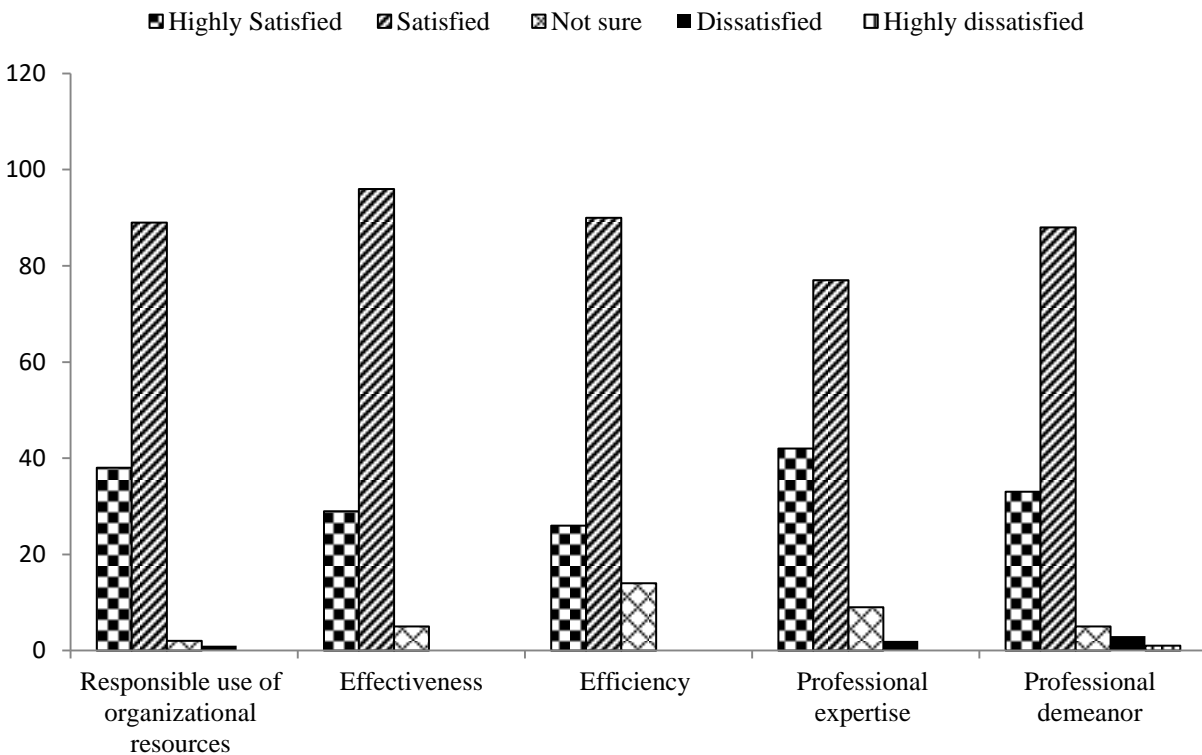


Figure 3: Employers’ satisfaction on employees’ specialized skills

The average level of satisfaction on employees’ general skill was found to be 4.0. It implies that employers are satisfied on the graduates of the college. Looking in to the different constituting elements of the general skill, employers are better satisfied with employees’ communication

(4.2) and customers service skills (4.2) as indicated in table 8. It was also found that employers are least satisfied with employees’ basic computer skill (3.9) (Table 4).

Table 4: Employers’ satisfaction on graduates’ general skills

Value	Communication	Critical thinking ability	Basic computer skill	Ability to use job related technologies	Customer service
Mean	4.2	4.0	3.9	4.1	4.2
Median	4	4	4	4	4
Mode	4	4	4	4	4
Minimum	2	2	1	2	2
Maximum	5	5	5	5	5

(Where 5=highly satisfied, 4=satisfied, 3=not sure, 2=dissatisfied, 1=highly dissatisfied)

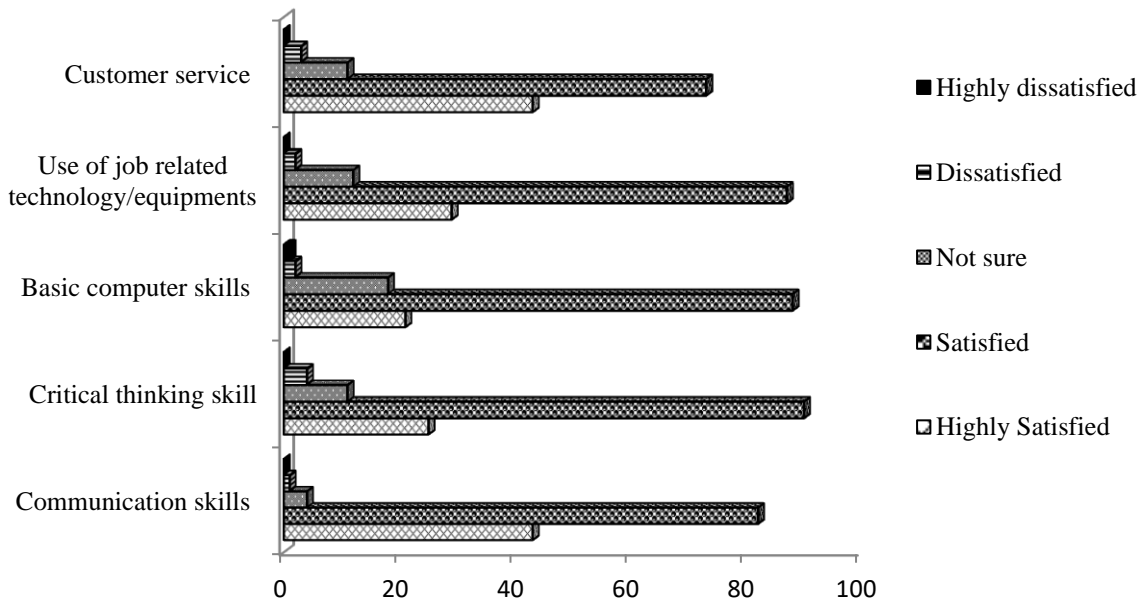


Figure 3: Employers’ satisfaction on graduates’ general skills

Statistical presentation of employers’ satisfaction on employees’ knowledge and understanding of job is indicated at Table 5 below. The average level of employers’ satisfaction in this regard, was found to be 4.1. This indicates that employers of the college’s graduates are satisfied by the employees’ knowledge and understanding of their job. Moreover, it shows that employers are better satisfied with employees’ understanding of job-related information (4.3), followed by knowledge of field of study and understanding of organizational context (4.2 each).



Table 5: Employers' satisfaction on employees' knowledge and understanding of their job

Value	Knowledge of field of study	Understanding job related information	Specific technical knowledge	Understanding organizational context	Understanding international context	Understanding peoples' and cultures
Mean	4.2	4.3	4.1	4.2	4.0	4.1
Median	4	4	4	4	4	4
Mode	4	4	4	4	4	4
Minimum	2	3	2	3	3	2
Maximum	5	5	5	5	5	5

(Where 5=highly satisfied, 4=satisfied, 3=not sure, 2=dissatisfied, 1=highly dissatisfied)

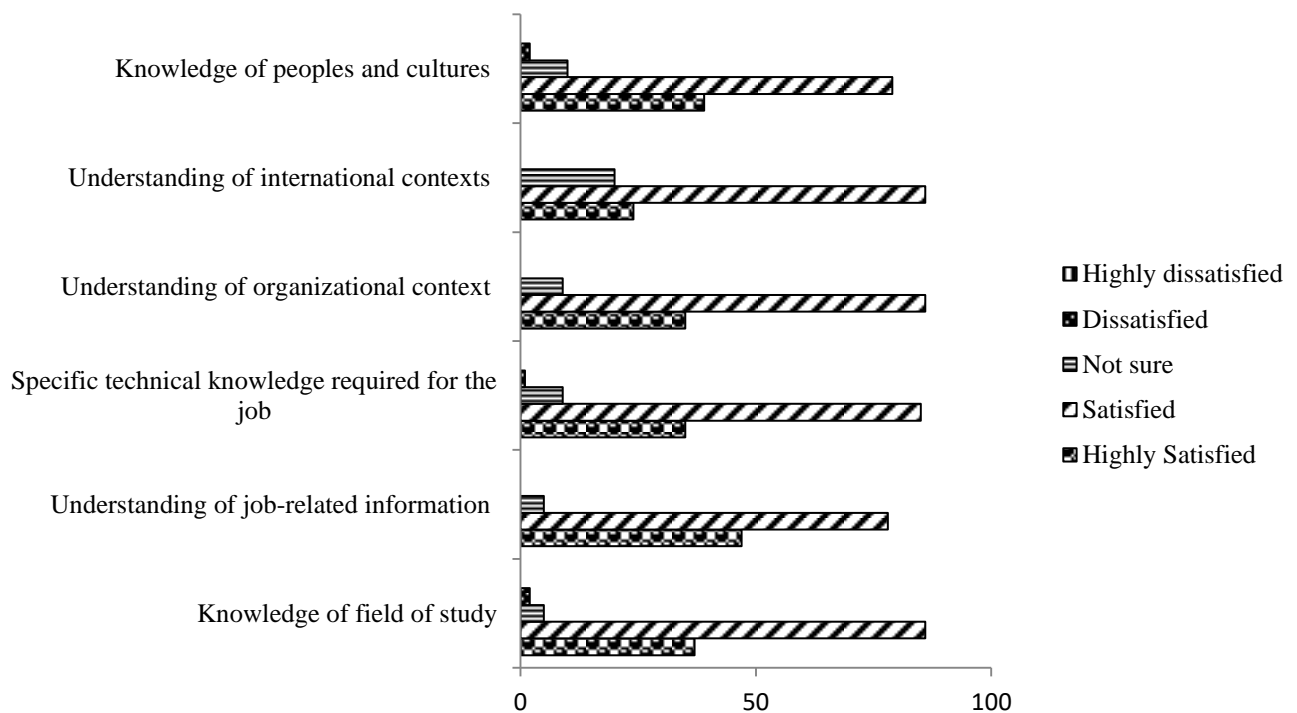


Figure 4: Employers' satisfaction on graduates' knowledge and understanding of their job

Figure 5 presents analysis of data regarding which of the four aggregated qualities or skills of the college's graduates are employers mostly satisfied with. According to the data, it was found that the college's graduates are relatively better in their personal qualities (4.2) compared to the other attributes and poor in their general skills (4.08) as shown in the figure.

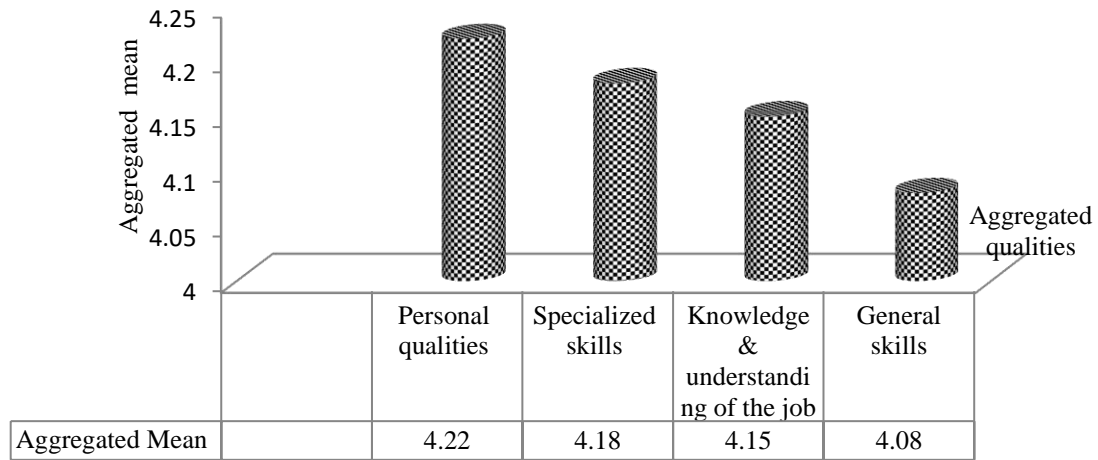


Figure 5: Comparison of the four aggregated skills of graduates

The satisfaction of employers on the overall qualities of graduates

Figure six reveals that most employers (106/130) are satisfied with the graduates of Paradise Valley College while 18 of the employers replied that they are highly satisfied with the employees. It was also found that only 1 of the research participants answered that they are dissatisfied with the graduates.

Regarding the employers' willingness to hire the future graduates of the college on the basis of the performance of employees currently working in their respective organizations, the finding was found that 73.1% (n=95) of survey respondents replied that they anticipate hiring more graduates from Paradise Valley College as a result of the achievement of the present employees. However, 7.7% (n=10) replied no and the rest (n=25, 19.2%) are uncertain.

Table 6, on the other hand, displays the perception of employers on the contribution of employees graduated from the college to the respective organizational goals in which they are currently employed. It shows that 76.9% of employers agreed and 19.2% strongly agreed that graduates of Paradise Valley College are significantly contributing to the goal of their organization. On the other hand, most (55.4%) of the employers participated in the survey disclosed that they are not sure whether the performance of graduates of Paradise Valley College is better than graduates from any other colleges or Universities.

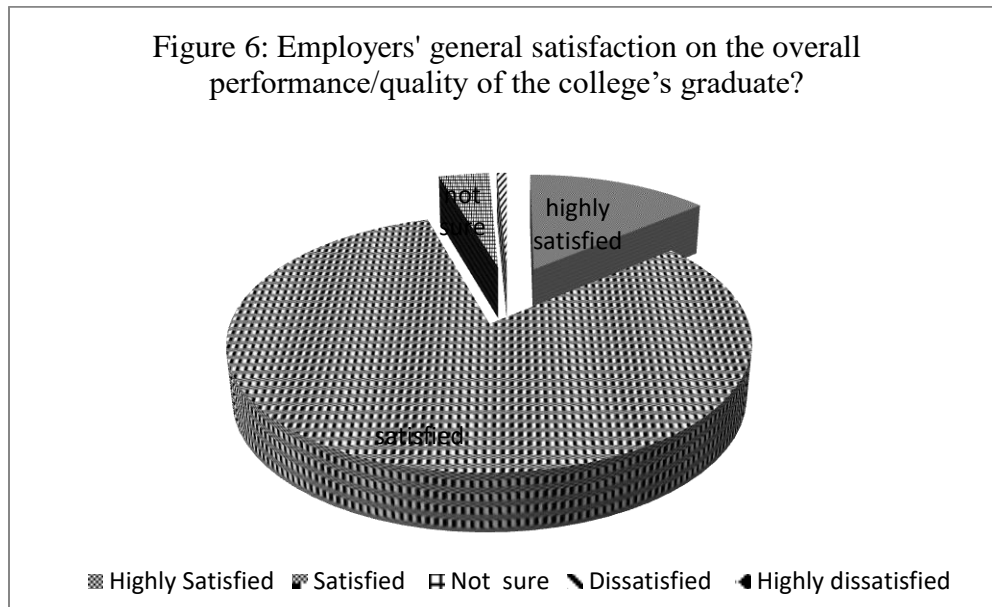


Table 6: The level of contribution of graduates of Paradise Valley College to organizational goals

Level of contribution of graduates	Strongly agree	Agree	Not sure	Disagree
Graduates of Paradise Valley College are significantly contributing to the goal of your organization.	25(19.2%)	100(76.9%)	5(3.8%)	-
The performance of graduates from Paradise Valley College is better than graduates from any other college/University	14(10.8%)	37(28.5%)	72(55.4%)	7(5.4%)

#### Determinants of employers' satisfaction

Table 7 shows employers' socio-demographic characteristics and its association to the level of employers' satisfaction. According to the correlation statistics indicated in table 8, employers' overall satisfaction is associated to the sex of the employers (0.034). Other variables, pertaining to the socio-demographic characteristics of employers however, are not associated to the level of employers' satisfaction.

Table 7: Correlation between socio-demographic characteristics of employers and their level of satisfaction on employees' performance

Variables	Statistics	Sex of the employer	Age of the employer	Educational background of employer	Position of the employer in the organization	Overall satisfaction new
Sex of the employer	Pearson Correlation	1	-.172	-.200*	.141	-.186*
	Sig. (2-tailed)		.051	.023	.109	.034
	N	130	130	130	130	130
Age of the employer	Pearson Correlation	-.172	1	.137	-.222*	.083
	Sig. (2-tailed)	.051		.119	.011	.350
	N	130	130	130	130	130
Educational background of employer	Pearson Correlation	-.200*	.137	1	-.371**	-.067
	Sig. (2-tailed)	.023	.119		.000	.446
	N	130	130	130	130	130
Position of the employer in the organization	Pearson Correlation	.141	-.222*	-.371**	1	.133
	Sig. (2-tailed)	.109	.011	.000		.132
	N	130	130	130	130	130
overall satisfaction	Pearson Correlation	-.186*	.083	-.067	.133	1
	Sig. (2-tailed)	.034	.350	.446	.132	
	N	130	130	130	130	130

\*. Correlation is significant at the 0.05 level (2-tailed)

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

## **Discussion**

The purpose of the research was to assess the level of satisfaction of employers on the performance and various qualities of employees trained by and graduated from private higher education institutions of Ethiopia, taking Paradise Valley College as a case study. Two hundred employers or managers in owning and/or managing various public and private organizations in Oromia and Southern Nations, Nationalities and Peoples regional states were purposively selected. A self-administered questionnaire, containing a series of questions meant to measure the level of satisfaction of employers was distributed. Accordingly, it was found that employers are satisfied both with the overall performance of employees and their various qualities as distinguished by personal qualities, specialized skills, general skills, and knowledge and understanding of their job. Moreover, comparing the four attributes, it was found that employers are mostly satisfied with the personal qualities of the college's graduates. Employers were also asked whether they are willing to employ more graduates of the college on the basis of the performance of their current employees. Accordingly, 73.1% of them replied that they are willing to do so. Above all, employers' level of satisfaction has been found to be associated to the sex of the employers.

Findings of the present research are consistent to the results of related studies undertaken by researchers in countries outside of Ethiopia (Plantilla, 2017; Ibraheem and Sami, 2016; Hakobyan, 2010). For instance, Plantilla (2017) studied employers' perspective on the performance of graduates in the workplace and found that employers were highly satisfied with the performance of graduates in terms of knowledge and understanding of the job, general skills, specialized skills, and personal qualities demonstrated in the workplace. A tracer study undertaken in Ethiopia by Siraye *et al.* (2018) on the employability of business and economics graduates at Bahir Dar University found that Supervisors recognize that graduates are most competent at identifying problems, integrating strategic considerations in the plans made, monitoring progress against the plan, setting priorities and relating well with supervisors while they are least competent at applying IT as a management tool, identifying political implications of decisions, providing novel solutions to problems, writing reports and using IT to organize data.

## **Conclusion**

The objective of the present research was to assess employers' satisfaction on the performance of employees who were trained by and graduated from Paradise Valley College. Oromia and SNNPs regional states were first selected using purposive sampling technique. A pre-tested structured questionnaire was distributed to 200 samples that were chosen through both convenient and snow ball sampling techniques. Of these, only 130 of the selected samples properly completed and returned the questionnaire. Data cleaning, organization and coding processes were made after which it was entered in to SPSS version 20 for further analysis. Both descriptive and inferential statistical tools were utilized for data presentation. Based on data collected on a 5 (five) scale measurement of level of satisfaction, the aggregated mean of satisfaction of employers on the graduates of the college has been found to be 4.08 showing that employers are satisfied. Accordingly, it was found that employers are satisfied with employees who were trained and graduated from Paradise Valley College. It was also confirmed that most employers are willing to hire future graduates of the college on the basis of the achievements of the current employees.

## **Recommendations**

Although a consensus can be reached that employers are satisfied on the performance of the graduates of the college, dissatisfactions have also been reported on employees' general skills such as basic computer skills, communication gaps, and ability to use job related technologies or equipment. Using the opportunity provided to write comments for the college, respondents also confirmed that graduates lack practical knowledge particularly in areas where the use of technology or machinery is important. This calls for the college to emphasize on practical trainings supported by relevant technologies and equipment, including computers and laboratories.

## **Conflict of interest**

The author declares no conflict of interest.

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