Exploring Digital Competencies and Likelihood to Recruit Graduates amongst SMEs in UK and Switzerland

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Abstract

This project investigates the relationship between digital competency and decision to recruit graduates in Small Medium-sized enterprises (SMEs) between the United Kingdom (UK) and Switzerland. It is a cross-national project that seeks to explore how SMEs value graduate digital competencies, and the role of individual managers' decision-making style towards the likelihood to recruit graduates.

Research is nascent concerning graduate digital competencies within SMEs through a cross-national comparative evaluation. Digital competencies, including social intelligence and cultural agility amongst others, are increasingly being used by organisations to transform their work practices to support their organisational goals. Developing digital competencies are also considered as a continuum from instrumental skills towards productive and strategic personal competence Concurrently, SMEs play an important economic and social role concerning workforce's employability as they comprise a large percentage of those businesses operating across the European Union (EU) state members, including the UK and Switzerland.

Hence, there is a growing trend to promote SMEs graduate employment through the utilisation of an appropriate level of graduate digital competencies. Thus, examining the relationship between graduates' digital competencies and likelihood to be recruited from SMEs is highly topical.

Introduction

Drawing on **digital competencies and decision-making theories**, a moderated model was developed and tested (Figure 1). The model argues that there is a relationship between certain digital competencies (e.g. social intelligence/critical thinking/cultural agility etc.) and the likelihood to recruit. However, the competency-recruitment relationship is moderated (strengthened/weakened) if there is a high/low demand for certain competencies. In addition, the SMEs decision style will moderate the moderating effect of demand on competency-recruitment.

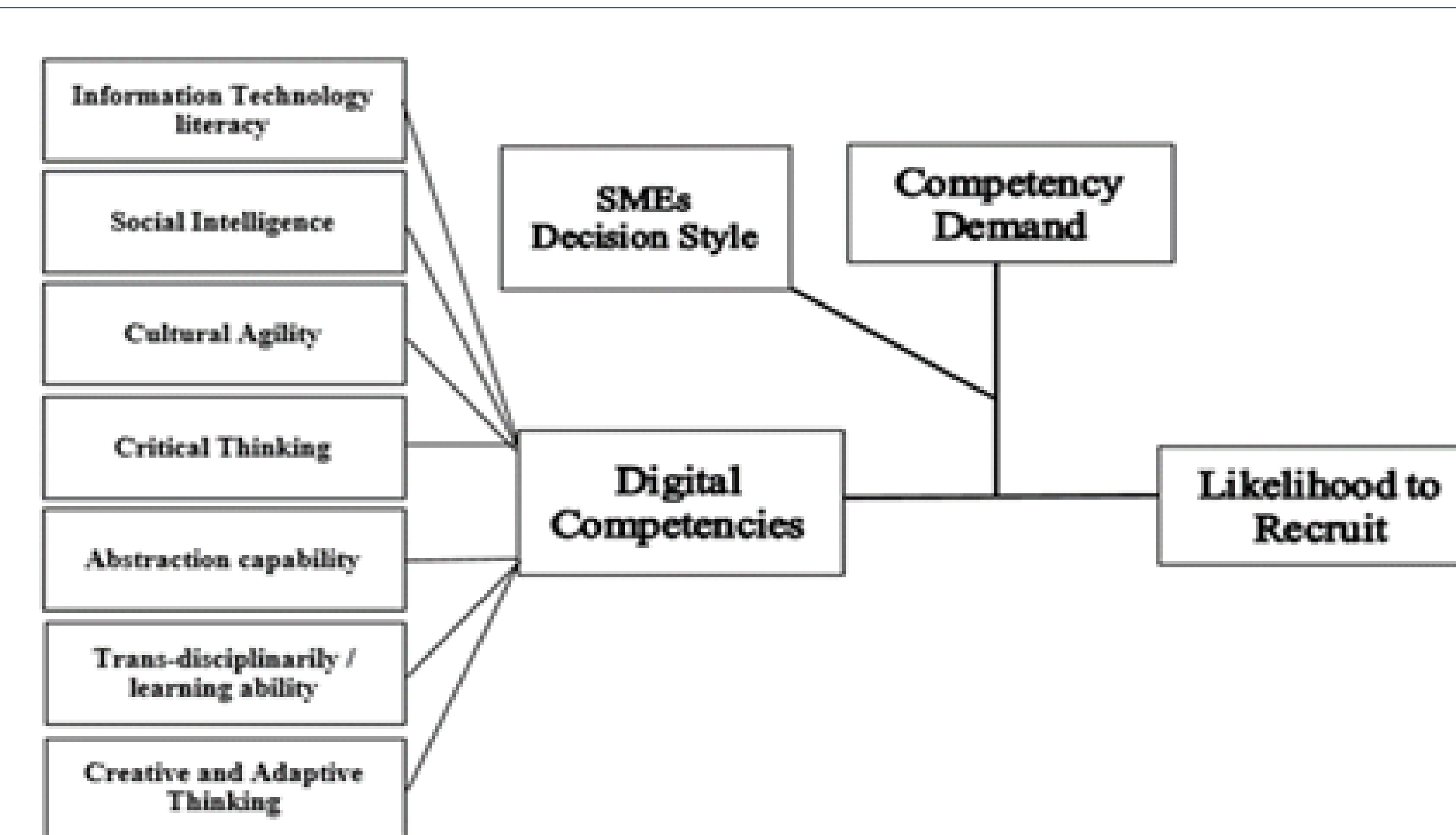The key **hypotheses** that the project aims to address are:
- *Digital Competencies will have a significant positive relationship with Likelihood to Recruit.*
- *Competency Demand will moderate the relationship between Digital Competencies and Likelihood to Recruit.*
- *SMEs Decision Style moderates the moderating effect of Competency Demand between Digital Competencies and Likelihood to Recruit.*

Methods

A **positivist** approach has been adopted. A **survey questionnaire** was distributed in both countries to capture SMEs managers' (individuals with full or partial responsibility to recruit graduates) expectations. A total of 546 responses were analysed (**UK- 426 & Switzerland 120**).

The survey questionnaire aimed to explore the relationship between digital competencies and likelihood to recruit graduates through the moderating role of SMEs decision style. Moderation effects tested through **multiple regression analysis** to analyse and discuss the interaction between the variables. A **hierarchical regression analysis** was used by entering the independent variables into the regression sequentially in a predetermined order.

Results

Discussion and Implications

- Digital Competencies have a significant positive relationship with Likelihood to Recruit in both countries.
- However, the level of positivity is difference on recruiting and employing graduates with Switzerland having a more positive perception on graduates. Competency Demand moderate the relationship between Digital Competencies and Likelihood to Recruit.
- SMEs Decision Style plays a significant role on deciding Digital Competencies and whether to recruit graduates.

UK

- Review graduate SMEs employment practices.
- Develop other Human Resource Development strategies and encourage the development of appropriate digital competencies amongst graduates working in SMEs.
- Support educational institutions to enhance curriculum development in a digital era.
- Strengthen collaboration between academic institutions and SMEs through new employment services.

Swiss

- The Swiss approach (a non-EU member) to digital competencies and SMEs decisions will shed some light into the future direction of the UK's approach to competencies development outside the EU.
- Strengthen cross country collaborations to disseminate good practices.
- Strengthen further institutional/SMEs relationships
- Enhance further current curriculum to promote digital competencies.

Conclusions

The current project provides critical insights into this relationship through the lens of 'different' national models relating to education and public policies (UK and Switzerland). Recent changes in the socio-political environment ('Brexit', economic reforms, higher education and generation attitude changes) reinforces the need to explore SMEs attitude towards graduates and to examine whether there are any 'good practices' that can be adopted to address the issues highlighted above.

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