

# Research on the Strategy of Employability Improvement in the Context of Dual Transformation

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## **Abstract:**

China is experiencing a period of dual transformation, that is, the transformation of industrial structure from traditional agriculture to modern industrialization; and the second of these changes is an economic system transformation from a planned economy to a market economy. Therefore, the structural contradictions in labor market and resulting problems concerning the improvement of employability are presented more starkly in this context than in any others. On the basis of questionnaire survey, in-depth interview and reference to various literature and data, this thesis carries out systematic theoretical analysis, empirical research and policy evaluation on the issue of employability improvement of in-service staffs, students, veterans, rural migrant workers and the unemployed people. The basic conclusions are as follows: First, employability is a constantly changing concept whose meaning is enriched and expanded as labor market conditions change. As indicated in both domestic and international study, the concept of employability can be divided into "hard skills" and "soft skills" categories, with the latter one attracting extensive academic attention. Second, the improvement of entrepreneurial capacity has been an essential part of the development strategy that promotes job creation and encourages entrepreneurs to create more employment opportunities. Third, the awareness of career management of in-service staff is increasing, which makes the improvement of their employability a focal point to both organizations and individuals. Fourth, employees' employability can be enhanced through well-designed motivation systems such as skill-based pay, which also contribute to organization performance. Fifth, non-school vocational education enjoys a wide distribution and has a high rate of return to education, especially for technician certificates or higher level. This is a result of a serious shortage of technicians in current labor market. Sixth, college graduates employability has a substantial impact on their employment conditions and starting salary. Higher employability not only improves graduates' employment conditions but also enhances the skill-work matching efficiency and increase graduates' starting salary. Nevertheless, there's a gap between labor market requirement and higher education system such as school training purposes, teaching contents and teaching team. This has become a universal problem in China's colleges, universities and vocational-technical schools. As a result, differences exist in the understanding of employability between graduates and employers. Seventh, according to our research, it is an essential policy choice to understand the employment demand of veterans and

provide employability training program to veterans of various levels, positions and job demands. Only in this way can we connect their employability development with the vocational qualifications authentication system. Finally, we find that increasing human resource investment in groups such as rural migrant workers and unemployed workers has been an issue of great significance. Therefore, it is necessary to formulate a national strategy of labor employability improvement that contributes to the development of Chinese human resource in the context of dual transformation.

**Key words: Dual Transformation; Employability; Employment Strategies**

## **I. Research backgrounds**

It is commonly acknowledged that while China is blessed with abundant human resources, it also faces severe problems due to great employment pressure. However, with the rapid development of the Chinese economy, a great number of vacancies are created and the current shortage of skilled workers and rural migrant workers has given rise to a hot debate on the issue of whether the “Lewis Turning-Point “has turned up. However, in current labor market, many job seekers including college graduates fail to find work, which results in the ever increasing unemployment rate. In a word, China is facing the problem of high natural unemployment rate; with structural unemployment being an important manifestation of current unemployment condition.

There're two reasons that lead to structural unemployment: One is structural transformation from agriculture to industrialization, which requires a new structure of labor supply. Like other developing countries and areas, structural unemployment will inevitably arise when economy develops to a certain stage. The other reason for structural unemployment is the transition from a planned economy to a market economy. China used to have a centrally planned economy system. The planned training and education system derived from long-term planned economy had a poor ability to respond quickly to change. As a result, although the accelerating structural transition sets new requirement of knowledge, skills and abilities of labor force, the adjustment of labor supply structure remained slow. These lead to a fact that the quality and ability of incoming labor force can not meet the demand of social and economic development. According to a report made by McKinsey, the number of newly trained engineers is around 1.6 million, 9 times as many as that of the USA, among which only 0.16 million have the practical skills and linguistic skills required by multinational companies. (McKinsey, 2005)

Employability (including entrepreneurial capacity) is like a bridge that connects job enlargement with modern economic development and acts as an important catalyst for sustainable economic growth. Although theoretical analysis and empirical researches on this topic are increasingly getting the attention of international academia, current studies in China on this subject are limited. Hence, it is our mission to call for researches on this subject and present our achievements on it from the following aspects: First, we give theoretical explanation of the meaning of employability and identify the relationship between employability and employment strategy. Then we attach great importance to definitions, values and upgrade

mechanism of both cognitive skills and non-cognitive skills. After that, we discuss the relationship between entrepreneurial capacity and enterprise performance and further the relationship between entrepreneurial capacity and enterprise education. We also study the improvement of in-service staffs' employability through effective career management and employability promotion mechanism for college students and technical school students that leads to high efficiency of human capital investment. When it comes to special groups such as veterans, rural migrant workers and unemployed people, we focus on improvement of their training system in order to strengthen the training effect and promote the enforcement of employability improvement strategy that adapts to structural transformation and market competition. All of these are main themes of this report.

On the basis of questionnaire survey, in-depth interview and reference to various literature and data, this thesis reviews researches on cognitive skills, non-cognitive skills and entrepreneurial capacity, and carries out empirical researches on career management of in-service staffs and the effect of professional accreditation on the improvement of employability. In addition, we discuss the employability development of college students and vocational school students. In addition, we also make a deeply and systematic analysis on the employability of veterans, rural migrant workers and the long-term unemployed. We hope that our research would add new contents to existing research of employability and provide beneficial suggestions on the strategy of employability improvement in the context of dual transformation.

## **II. Employability: the Evolvement of the Concept and Promotion Mechanism**

### **i. The Evolvement of the Concept**

Employability has a clear definition in English, which is the possibility of employment for a job seeker in the labor market. This notion was first introduced in the early 20th century, when it was defined as dichotomic employability. At that time, a person was considered as having employability if he could find a job immediately after being laid off (Beveridge, 1909). In the mid 1950s, the focus of employability was transferred to the lower class. (Feintuch, 1955) With this, three new connotations of employability were put forward: social-medical employability, manpower policy employability and flow employability. This had broadened the extension of the concept. In the late 1970s, transferable skills began to receive attention. It included skills like social and relational skills. This connotation of employability was described as labor market performance (Gazier, 1999). In the early 1980s, the research emphasis on employability was transferred to an enterprise level. It had become a meta—characteristic of employees that was required by employers. In the mid 1980s, the connotation of employability as meta—characteristic involved elements such as attitude, knowledge and skills, which was seen as decisive factor for labor market performance. Studies on employability in the 1990s not only focused on the unemployed and the low skilled, but also on other groups. The scope of that concept was extended to labor market situation, labor market knowledge and enterprise policies as well. Studies during that period put emphasis on the potential, skills and career planning abilities of individuals (Berntson, 2008). Employability was constituted by a series of individual characteristic and labor market opportunities,

which was called interactive employability (Gazier, 2001; McQuaid & Lindsay, 2005), hinting that employability promotion has become a common duty of governments, employers, enterprises and individuals. Interactive employability was in association with environmental factors and personal skills, which has a connotation of dynamic abilities of getting first job placement, maintaining jobs and regaining jobs after being laid off. (Hillage & Pollard, 1998)

Pragmatically and comprehensiveness are two main features of employability connotation in the 21st century. The employability model on the basis of competence and labor market has developed. This development emphasizes on three requirements, namely dynamics, continuous learning and unceasing development. Continuous professional development and life long learning are most closely tied to employability. The employability model on the basis of competence covers both general skills and professional skills and highlights the feature of pragmatically and individual needs with consideration for enterprises, which plays a constructive role in professional success and high organizational performance. The concept model not only meets the need of the moment, but also provides condition for future development. Since the 21st century, the trend of defining employability from a broad perspective is distinct. Employability has been divided into two parts: internal employability and external employability. International researchers have summarized the development of employability in theory as shown in Figure 1

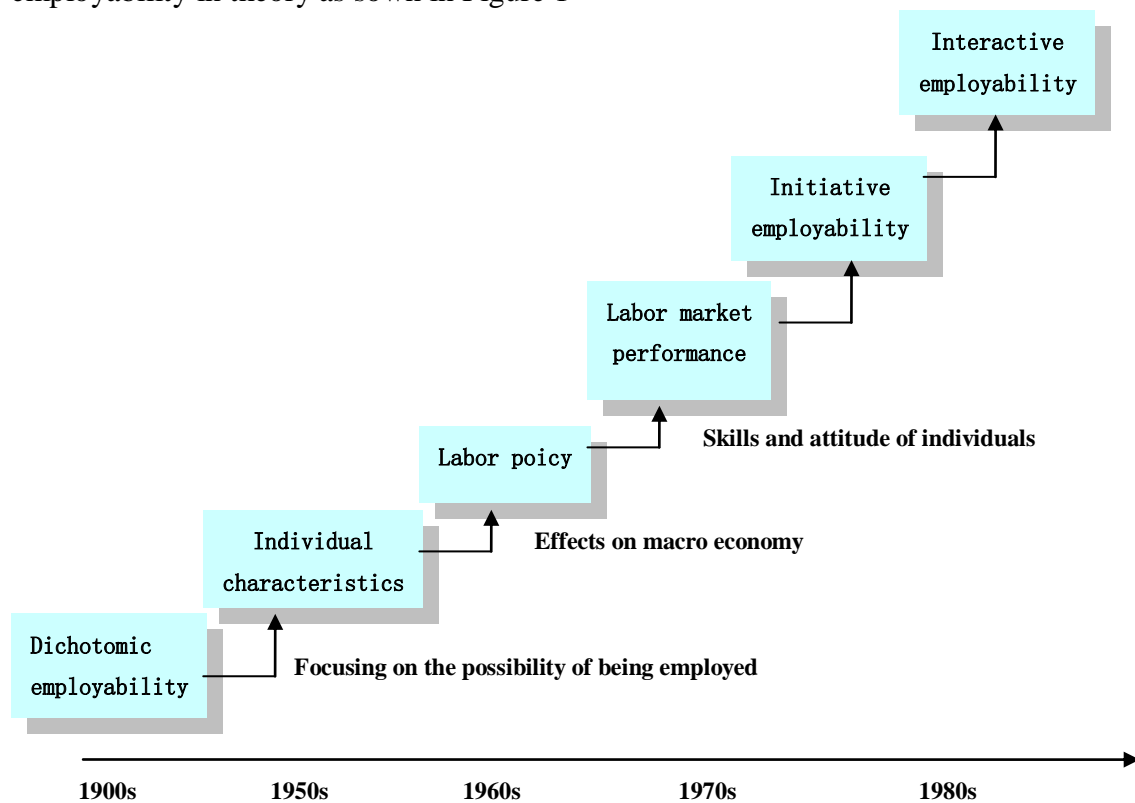


Figure 1 The Evolution of the Concept of Employability

## ii. Employability Upgrading Mechanism

Employability can be divided into two categories, one is hard skills, known as

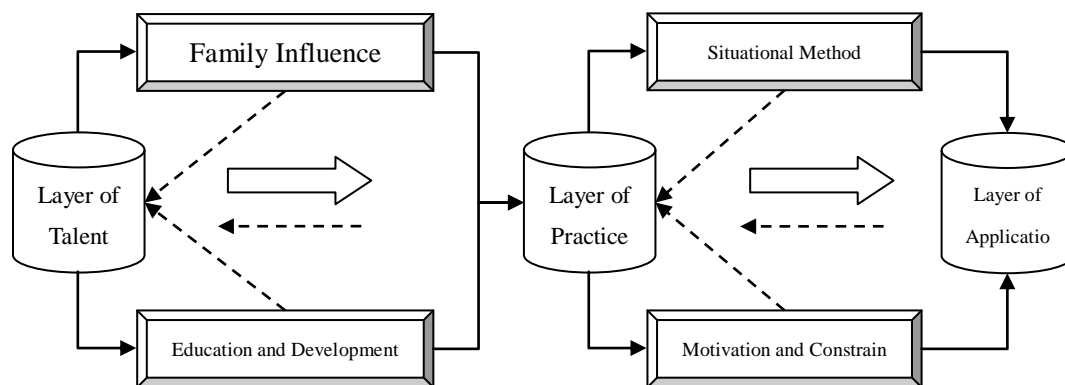
cognitive skills; and the other is soft skills, known as non-cognitive skills. Generally speaking, hard skills can be enhanced by constant practice and intensive training, which is under no essential dispute in theory. The question is that, soft skills, are subtle and unpredictable, which in turn makes things complex. Under the circumstance of industrial structure transformation, soft skills become the research emphasis in the field of employment.

The reason why soft skills have become one of the main research emphases in the field of employment comes from several aspects: First is that in modern society, teamwork is becoming more important. Knowledge and skills are not enough for one to create performance through team work. Soft skills such as communication skills, teamwork capacity and ability to express oneself play a significant part in improving teamwork performance. Second, the formation and development of hard skills depends on the development of soft skills. Skill formation is a dynamic process, which consists of essential factors that interact with each other. The development of soft skills encourages the formulation of hard skills and contributes to final success. Third, lacking soft skills has become one of the employability gaps for employees, unemployed people and other groups such as college students (Flavio Cunha and James Heckman, 2007, Niu Ling, 2007, Wang Ting, 2009). Forth, soft skills have recessive characteristics that are subtle and difficult to observe and evaluate. As a result, the development system and training approach need further research and studies.

The pyramid model of soft skills shows that soft skills can be divided into three layers: application layer, practice layer and talent layer. Soft skills in the application layer are the closest to hard skills, which refer to soft skills that provide support for hard skills to fulfill tasks. Communication skills, interpersonal skills and analytical skills are soft skills in case. Application skills are closely related to work tasks and hence different jobs require different application skills. Soft skills in the practice layer, however, mean a series of mental abilities that need long-term accumulation and practice. Generally, soft skills in practice layer are difficult to observe and measure, which should be identified through a period of long duration. Typical examples of soft skills in the practice layer are sense of responsibility, motivation and service consciousness. Soft skills in the talent layer refer to some deep level skills that are inherent. Usually skills in talent layer, such as intuition, aesthetic perception and personalities, cannot be observed and measured directly and are also hard to be changed and shaped. According to research, individual skill gaps (both cognitive skills and non-cognitive skills) keep on broadening in their childhood. Skill levels of children have high correlation with their family backgrounds. And most of the cognitive and non-cognitive skills are formulated in one's childhood (Flavio Cunha and James Heckman, 2007).

The formation mechanism of soft skills shows that, soft skills in different layers are not isolated with each other. They have a relationship of sequential decision. The development of skills in the talent layer determines the formation of soft skills in the practice layer, and the skills in the practice layer enhance the development of skills in the application layer. Skills in the layer of application will improve the soft skills in

the practice layer and skills in talent layer as well, although the effect is much weaker. The formation mechanism of soft skills are shown in Figure 2



**Figure 2 The Formation Mechanism of Soft Skills**

Methods of improving soft skills include human capital investments in sensitivity training, situational coaching, increasing motivation and developing systems that strengthen the formation of skills. In addition, systematic planning of a national education system is an important way to cultivate soft skills for the whole society.

### **iii. Definition and composition of entrepreneurial capacity**

The concept of entrepreneurial capacity was first introduced in literature concerning the relationship between entrepreneurs and organizational performance. Capability was emphasized in research concerning organizational performance. It was shown that a series of entrepreneurial characteristics would contribute to high performance. It was also indicated that these characteristics also interact with each other. Since 1980s, the field of entrepreneurial capacity has experienced two major periods. In the early studies, scholars tried to identify the individual characteristic of successful entrepreneurs. However, these researches were scattered and lack of studies on the interaction between elements. In the 1990s, researchers put forward two combinations of elements that make up entrepreneurial capacity. Studies on the basis of characteristics, capacities and knowledge focused on elements such as personalities, attitudes, skills, knowledge and experiences. These studies on entrepreneurs' behavior paid close attention to behaviors that reflected capacity. Competence was seen as variable, cognitive and measurable, which was considered as a bridge that linked individuals with enterprises.

Studies have shown that opportunity competence, relationship competence, strategic competence, commitment competence and conceptual competence are the most important entrepreneurial capacities, shown in Table 1. There are some abilities that contribute to the formation and strengthening of other abilities. These abilities include learning ability, adaptability, time management, self-evaluation, work and life balance, crisis management and integrity (Man, T.W.Y. 2000).

**Table 1 Composition of Entrepreneurial Capacity**

Capacity Category	Key Behaviors	Capacity requirement	Literature Resources
Opportunity competence	To tap, seize and develop marketing opportunities through various approaches.	ability to take risks, active thinking and ability to seize the opportunity	Casson(1982); McClelland (1987); Mitton(1989); Chandler & Jansen(1992); Chandler W& Hanks(1994); Snell & Ghoshall (1997); Baum et al.(2000); Beaver(2002).
Relationship competence	Communication between individuals, organizations	Management skills, ability of negotiation, persuasive skills, social skills, communication skills, crisis management, confidence building, pressure management	McClelland(1987); Ibrahim(1987); Mitton(1989); Chandler and Jansen (1992); Durkan et al.(1993); Bird(1995); Mullins(1996);Bartlett and Ghoshall(1997); Gasse(1997); Baron and Markman (2000); Gibb(2002); Baron and Shane(2005).
Conceptual competence	Conceptual competence shows in entrepreneurs' behaviors.	An all-around non-expert person with ability of decision and creatively problem solving, risk bearing, innovation, positive and ambition.	Casson(1982); McClelland(1987); Mitton(1989); Chandler and Jansen (1992); Durkan et al. (1993); Snell & Lau (1994); Bird(1995); Bartlett & Ghoshall (1997); Gasse(1997); Baum et al.(2000); Gibb (2002); Beaver(2002); Morrison et al. (2003); Sternberg (2004).
Organizing competence	Ability to integrate human resources, material resources and technical resources in and outside organization.	Analytical ability, team building ability, computing ability and ability of representing and organizing, ability of controlling and coaching employees and ability of training and development.	Casson(1982); McClelland(1987); Mitton(1989); Chandler and Jansen(1992); Durkan et al. (1993); Snell and Lau (1994); Bartlett and Ghoshall (1997); Gasse(1997); Baum et al.(2001); Beaver(2002).
Strategic competence	Ability of formulating, evaluating and enforcing the strategy of the enterprise.	Strategic thinking, time management and project management	McClelland(1987); Mitton(1989); Durkan et al. (1993); Snell and Lau (1994); Bird(1995); Bartlett and Ghoshall (1997); Gasse(1997); Gibb (2002).

Commitment  
competence

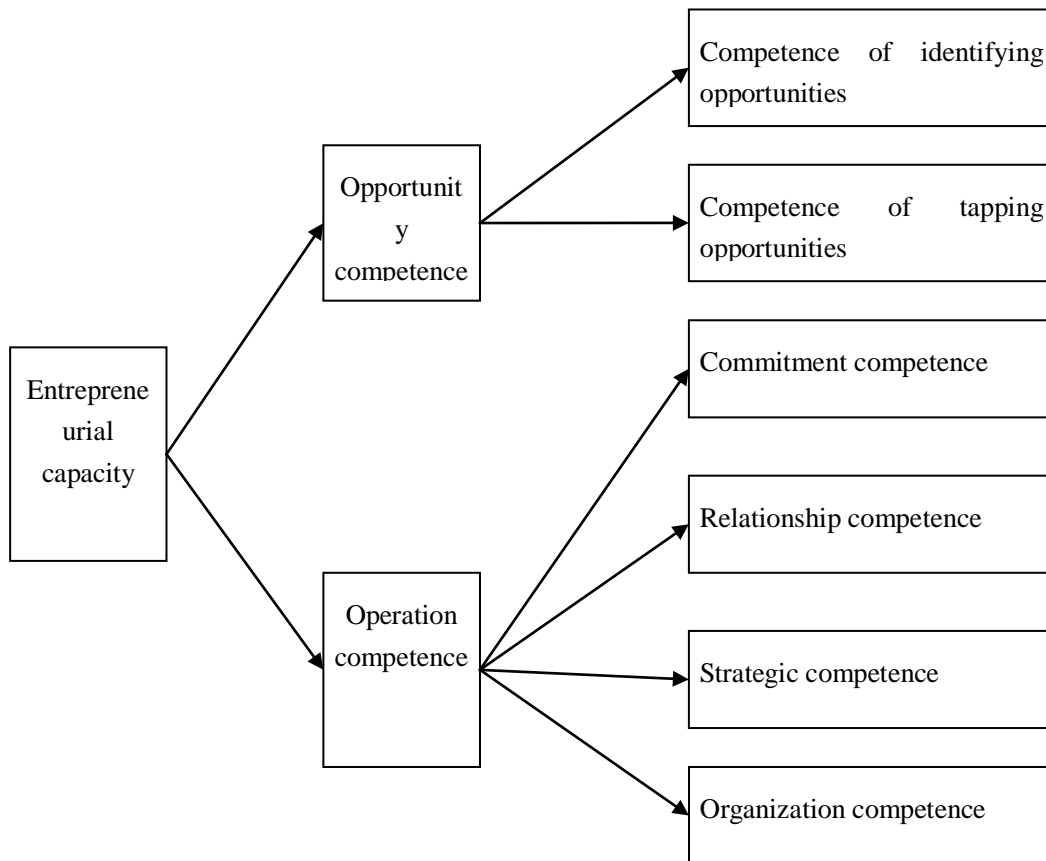
Ability to lift the  
enterprise to a new height.  
Willing to work hard

McClelland(1987); Ibrahim(1987);  
Mitton(1989); Chandler and Jansen  
(1992); Durkan et al. (1993);  
Bartlett and Ghoshall (1997); Gibb  
(2002).

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*Note: Constructed by the author on the basis of researches done by Man et al.(2000, 2001)*

Two tasks should be fulfilled in the process of building business. One is identifying, discovering and developing opportunities. The other is operating and managing new enterprises. According to this and on the basis of literature review, theoretical analysis and empirical studies, some Chinese experts have reconstructed the concept of entrepreneurial capacity, dividing it into two categories: opportunity competence<sup>1</sup> and operating competence<sup>2</sup>. According to their studies, a conceptual model of entrepreneurial capacity that falls into two broad categories and six sub-categories was constructed as illustrated in Figure 3. (Tang Jing, Jiang Yan Fu, 2008)



**Figure 3 Conceptual employability model with two broad categories and six sub-categories**

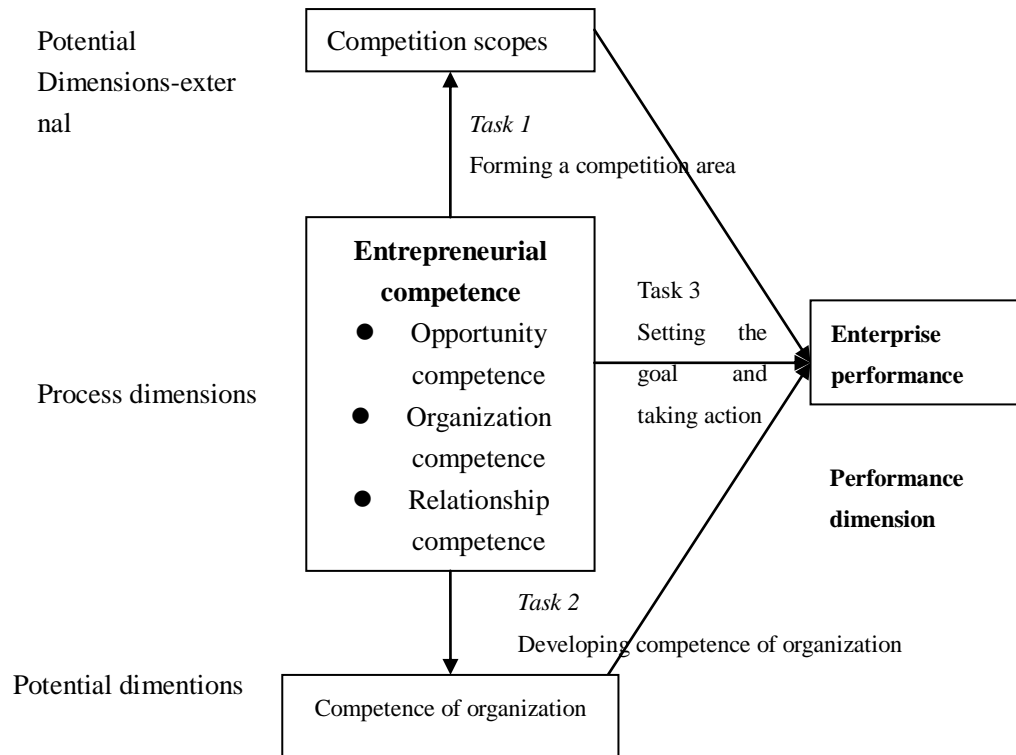
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<sup>1</sup> Abilities concerning identifying and developing opportunities.

<sup>2</sup> Abilities concerning operating and managing an organization, including strategic abilities, management ability and relationship ability, commitment ability.



Man, T.W.Y. (2000, 2001) studied the relations between individual characteristics of entrepreneurs and organizational performance by integrating model of entrepreneurial capacity and model of mid and small sized enterprises competency. Through qualitatively analyzing employees of Hong Kong service industries, they constructed a relatively well-organized theoretical model that explained the relationship between entrepreneurial capacity and organization performance as shown in Figure 4.



**Figure 4 Relations between entrepreneurial capacity and organization performance**

The relationship between entrepreneurial capacity and organization performance are connected by different work tasks. Each task requires a specific field of competence as shown in Table 2.

**Table 2 Abilities Required in Different Stages of Building Business**

Different Stages of Building Business	Competence Required
Task 1 Forming a competition area	<p><b>Opportunity competence</b> (Analysing environmental conditions)</p> <p><b>Relationship competence</b> (Networking for more business opportunities)</p> <p><b>Conceptual competence</b> (Identifying potential opportunities)</p>
Task 2 Developing organizing competence	<p><b>Organizing competence</b> (Integrating internal and external resources)</p> <p><b>Relationship competence</b> (Integrating internal and</p>

	external resources) <b>Conceptual competence</b> (searching for problems and contradictions by analyzing)
Task 3 Setting goals by evaluating competition scopes and taking action.	<b>Strategic competence</b> (Finding direction of development and taking action) <b>Commitment competence</b> (Strengthening and maintaining organization performance)

The promotion effect that enterprise education has on the entrepreneurial capacity has been widely recognized both in theory and practice. In addition, the introduction of entrepreneurial capacity provides a powerful theoretical basis for research and practice on enterprise education. The concept of entrepreneurial capacity not only includes abilities based on personal background, which are difficult to change<sup>3</sup>, but also include abilities<sup>4</sup> that can be shaped and developed through training and education. It is also proved that entrepreneurial capacity can be improved through proper enterprise education and training, which will initiate entrepreneurial behaviors, increase the possibility of business success and contribute to enterprises performance. Beside these, entrepreneurial capacity also has an effect on entrepreneurial education.

### III. Career Management, Wage Incentives, Qualification Recognition and Employability

#### i. Career development and management

When it comes to employability improvement, the employability of current labor force should be given the first priority. In line with economic structural adjustment, the demand for employability of in-service staff is on the increase. Work environment has been evolving and employment opportunities and forms are harder to predict and more variable. Under the new employment environment, people are managers of their own careers and more commonly experience careers comprised of many positions cross multiple organizations and even industries. Organizations should increase the force of human capital investment and individuals should take efforts to promote their employability development and manage their careers effectively.

Researches targeting China's human resource professionals indicate that some in-service people are now taking efforts to manage their careers. This includes labor market activities such as collecting vacancies information, building social network and tapping human resource capital, developing working plans and preparing for future changes. Effective career management does not vary with the gender. Through correlation studies on internal development opportunities for employees and organizational career management, researchers found that employees tend to seek internal development opportunities in those companies that provide employees with career development paths. The results are presented in Table 3.

<sup>3</sup> Abilities such as characteristics, personalities and self-perception, and attitude.

<sup>4</sup> Abilities including skills, knowledges and experience.

**Table 3 Relationship between Internal Development Opportunities for Employees and Organization Career Management**

	Ocm	ocm_a	ocm_b	ocm_c	Seek internal jobs
Ocm		.943**	.952**	.913**	.255**
ocm_a	.		.937**	.747**	.223*
ocm_b	.			.766**	.218*
ocm_c	.	.			.265**

Note: \*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$ .

Note: Sub-items of organization career management are shown as follows: ocm\_a means succession management; ocm\_b stands for employee assessment; ocm\_c stands for training and development.

The correlation study also indicates that there exists a manifest correlation between individual career management and his/her tendency to seek jobs in external labor market. The results can be seen in Table 4.

**Table 4  
Correlation between Individual Career Management  
and Their Tendency to Seek Jobs in External Labor Market**

	Tendency of seeking job in the external labor market
Icm	.675(**)
icm_a	.779(**)
icm_b	.336(**)
icm_c	.368(**)
icm_d	.574(**)

NOTE: \*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$ .

Note: Sub-items of individual career management are shown as follows: icm\_a stands for collecting information of job opportunities; icm\_b stands for social networking; icm\_c stands for intensifying individual human capital; icm\_d stands for career planning and preparing for future work..

Although correlation analysis shows no correlation between individual career management and enterprise career management, a positive correlation exists between icm-a and ocm, icm-a and ocm-c, and between icm-b and ocm-a as well. Details of the results are shown in Table 5

**Table 5  
Correlation between Individual Career Management and Enterprise Career Management**

	icm	icm_a	icm_b	icm_c	icm_d	ocm	ocm_a	ocm_b
Icm								
icm_a	.803(**)							
icm_b	.767(**)	.587(**)						
icm_c	.770(**)	.532(**)	.672(**)					
icm_d	.832(**)	.509(**)	.437(**)	.423(**)				

Ocm	.077	.193(*)	.165	.154	-.119			
ocm_a	.063	.191(*)	.183(*)	.126	-.139	.943(**)		
ocm_b	.082	.168	.144	.126	-.069	.952(**)	.937(**)	
ocm_c	.071	.182(*)	.140	.171	-.123	.913(**)	.747(**)	.766(**)

Note: \*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$ .

It is indicated that the career path of human resource professionals in China is experiencing a tremendous change in the new situation. For an individual, self-career-management behaviors of the respondents are close to the international level, which play a positive role for them to seize the career opportunities and achieve their career goals. As to enterprises, targeting career management plays a more or less positive role in retaining talents. In addition, when employees are well aware of self-career management, enterprises can consider reaching a consensus with its employees for employment security.

If enterprises intend to retain some talents, they can send this message to their employees through the method of career management. This will help them make psychological contracts with their employees and contribute to talent retaining. At the same time, if companies cannot promise employment stability to their employees, they need to convey this situation to their employees. In this situation, companies should consider improving their employees' employability and enhancing their employment security through effective career management.

#### ii. Wage incentive

Introducing the effective skill-based pay system will stimulate the organization's ability to cultivate the enterprise interior skilled worker and the skill talented person, which has a practical significance in alleviating employment pressure, reducing the structural unemployment and promoting the employment quality gradually. The research on several enterprises that carried out the skill-based pay schemes indicate that although the different skill-based pay have differences respectively at the success or failure, they have the consistent application effect on enhancing human resources elasticity, reducing accidents, improving the quality of product (or service), screening appropriate staff and making better plan of staff's career development as well as skill level promotion and so on. As shown in Table 6.

**Table 6 The implementation effect of Case enterprises applying skill-based pay**

Case 1: Punch	Case 2: SMC	Case 3: HOP
Bad accidents reduction	Skill level promotion	Customers' satisfaction promotion
Personnel screening of partial projects	Reducing bad accidents	Labor cost rise
Skill level promotion	Enterprises' profit margin promotion	Profit margin drop
Labor-cost-profit-margin balance	Labor cost rise	Turnover rate rise
Labor cost rise	Turnover rate drop	Bad accidents reduction on sale

Turnover rate drop	Advantage of employment	The completion of sale drop
Advantage of employment	Production compatibility enhancement	Training system expiration
Quality improvement	Training system's function enhancement	
Production compatibility enhancement		

*Source: This table is completed after coding, recording and reorganizing according to the qualitative data in the Nvivo database*

Under the skill-based pay, the enhancement of staff's skill level, particularly the fast raise of high skill staff can not only support the production of high difficulty, but also enable them to adapt the new working routine, which is helpful to enhance the human resources elasticity in the spot of production or service. Under the skill-based pay, the control of accident rate and request of quality standards are usually taken seriously as the essential condition in the staff skill promotion by the staff; in addition, the skill level enhancement are highly related with the quality promotion of product (service), which is helpful to reduce the bad accident in the production (service) scene and improve product (or service) quality. In the process of implementing the skill-based pay, the salary decision-making will influence the staff troop's constitution through the attraction, the choice and the elimination process and the staff's own compatible judgment under the skill-based pay will further strengthen the salary separation effect, which will be helpful for the enterprise to screen the appropriate staff and optimize the personnel structure. Under the skill-based pay, by designing skill channel conformable to the staff operating feature will on the one hand help the staff understand how to grow in the enterprise, on the other hand help the enterprise reasonably formulate staff's training and development plan according to the distribution of the effective strength's skill, which are beneficial for the enterprise to make the plan of staff's career development based on the organization development goal. If further considering the case enterprises' overall judgment on effect of the implementation of the skill-based pay, only considering these successful skill wages case, the application of skill wages can also raise staff's skill level, speed up the raise of new staff, cut the staff flow rate, transfer the staff's enthusiasm to raise the skill level, enhance training system's effect, obtain on own initiative of employment in the labor market, and in more aspects have tangible effect regarding the promoting employability promotion.

Enterprise's organization characteristic, the skill-based pay's design characteristic, the skill-based pay's implementation characteristic, the organization resources' guarantee, staff's initiative are five factors affecting the effect of skill wages. Analysis of the organization characteristic indicates that compared with traditional service industry, technology-intensive manufacturing industry is more suitable to use skill-based pay; the enterprise with higher non-standardization degree of production (or service) pattern has more advantage when applying skill-based pay; compared with the enterprises emphasizing centralization and supervisory control, those putting

emphasis on the authorization and participation in the organization culture are more suitable to apply skill-based pay. As for the skill-based pay's design characteristic, designing the skill module based on the existing skill content, and simultaneously properly processing the crosswise value comparison between the different modules help to enhance the implementation effect of skill-based pay; setting explicit skill growth period helps to strengthen staff's initiative under skill-based pay and reinforce the separation effect which the skill-based pay brings. As for the skill-based pay's implementation characteristic, guaranteeing the fairness of skill authentication, enhancing staff's participation degree and carrying on the full communication can promote to form the cognition that the salary is fair; authoring the straight line manager is helpful to promote their approval of the skill-based pay, and can reduce the basic unit personnel's restless mood in transformation process effectively, as well as enhances the direction of the training content and the training organization's planning, and also helps to enhance the implementation effect of skill-based pay. In addition, sufficient resources safeguard provided by the organization and staff's initiative under skill-based pay will influence the implementation effect of skill-based pay. In the implementation process of skill-based pay, the organization providing sufficient training and authentication resources is advantageous in strengthening staff's cognition level of salary fairness, enhancing staff's initiative under skill-based pay, promoting the staff to seek for skill training opportunity on own initiative and participate in skill training and the skill authentication positively, then enhancing the incentive of skill-based pay.

### **iii. Qualifications authentication**

Carrying out national occupational qualification certificates is the important content of labor employment policy in our country, and is also the fundamental mode of the worker non-school record vocational education, which has great significance to strengthen the training of the skilled personnel, promote worker's employability and so on. The research on the relationship between the national occupational qualification certificates and technical worker's skill level, work performance, the income as well as the employability based on 6 manufacture enterprises' microscopic data investigation shows that the national occupational qualification certificates and technical worker's skill level are positively related, besides, the higher the certificate rank, the more obvious the relevance. A worker with occupational qualification certificates above high-level labor has better work performance and employability. Compared with the non-card worker, the primary and the intermediate labor certificate can increase approximately 9.5% incomes, and the high-level labor certificate can increase approximately 11% incomes, but the certificate above the technician level increases the income to about 24%. On the whole, the return rate from the national occupational qualification certificates is quite obvious, particularly the occupational qualification certificates of the high rank. As shown in Table 7, forecast on worker's skill level, the work performance, the income as well as the employability according to the occupational qualification certificates above the technician is especially obvious, in comparison, the proper difference between primary labor, intermediate labor and high-level labor is weak. In recent years, the

proportion obtaining the intermediate labor and the high-level labor occupational qualification certificates rises largely, while the proportion obtaining the primary labor certificate drops obviously. This situation doesn't equate the universal rise of worker's skill level in our country, but is because some skill accrediting body's check to the intermediate labor, the high-level labor occupational qualification certificates is lax so that the practical skill of some workers having obtained the intermediate labor, the high-level labor certificate is no better than that of the primary labor, which in the end has reduced the validity of occupational qualification certificates. However, at present the management of the rank credential above the technician is relatively strict, therefore the technician certificate has demonstrated the good validity in the labor market. This research has also discovered some other meaningful conclusions in our country's labor market. For instance, the masculine worker's wages are obviously higher than the feminine worker's wages; the wages of workers with the local registered permanent address are obviously higher than that of workers with the outside areas registered permanent address; worker's skill level, work performance and income all present the parabola tendency which rises first then drops with the job seniority increasing and so on.

**Table 7 Regression between wage income and employability**

	Model3: log(Earnings)		Model4: Employability	
	Coeff.	Coeff.	Coeff.	Coeff.
Constant	9.9552***	.049	2.756***	.163
Firm2			.086	.127
Firm3	-.143***	.037	-.429***	.128
Firm4	-.175***	.038	-.011	.130
Firm5	-.309***	.045	.274*	.155
Firm6	-.356***	.035	-.111	.118
Male	.183***	.023	.159**	.075
Work expe	.019***	.005	.019	.013
(Work expe) <sup>2</sup>	-.000***	.000	-.001	.000
Local Hukou	.076**	.032	-.177*	.093
Edu2	.001	.029	.113	.100
Edu3	.010	.035	.213*	.118
L5	.095***	.037	-.012	.110
L4	.094***	.035	.104	.098
L3	.110***	.035	.171	.105
L2/1	.240***	.042	.272**	.132
<b>F</b>	31.452		3.647	
<b>R2</b>	0.407		0.062	
<b>N</b>	656		841	

Note : \*\*\*, \*\*, \* respectively represents the significance in 1%、5%和10%. Firm1 is the reference company; Edu1(middle school record) is the reference school record; Lo(without ) credentials is the reference level.L2/1 represents technician and senior technician credentials, because the senior technician certificate's sample size is

small, therefore merging the technician merges to make regression. In the equation 3, Firm1 is reference firm, and Firm2 lacks the salary data.

#### IV. The employability condition and the cognition difference of the university student and the professional school students

##### i. University students

Our country's higher education scale has continued to increase in the past 10 years, with the number of university graduates increasing from 1,080,000 in 1998 to 6,110,000 in 2009 and the 2008 gross matriculation rate having reached 23.3%<sup>5</sup>. Along with the sudden expansion of higher education and the rapid transformation of graduates' supply and demand condition, the bearing capacity of the "ecology position" (niche)<sup>6</sup> of graduate labor market can be saturated instantly both in "the quality" and in "the quantity", leading to the sharp growth of employment difficulty. As is shown in the research, the primary reason why the graduate has a difficulty getting employed is that their ability cannot meet the labor market requirement. The increase in the quantity of graduates merely aggravating the difficulties posed by a fierce job market; however, the fundamental reason for the difficulty in graduates' employment is the insufficient employability.

With Shandong Province graduates survey data in 2007, we empirically examined the effects of graduate employability and internship on the probability of initial employment and the level of starting salary, and investigated the determinant factor of employability. Evidence indicates that employability has significantly positive effects on initial employment and starting salary, that is to say, employability not only promotes employment, but also helps the graduate find "jobs for the university student" (high salary jobs), raising the skill - work match efficiency. As Table 8 and Table 9 show.

**Table 8 Boundary effect of employability in employment probability**

Independent variable	Boundary effect	Z value
Employability	0.3196***	2.81
Practice related to the major <sup>a</sup>	0.0901**	2.25
Practice not related to the major <sup>a</sup>	0.0583	1.1
Employment guidance and service <sup>a</sup>	-0.0303	-0.89
Non-211 universities <sup>a</sup>	0.0193	0.38
211 universities <sup>a</sup>	0.2246**	2.17
Male <sup>a</sup>	0.1280***	3.92
Log likelihood	-606.372	

<sup>5</sup> The data originates in "in 2008 Nation Education Develops Statistical bulletin", sees the national Ministry of Education website.

<sup>6</sup> Here we borrowed the concept of ecology position inside the ecology, and the ecology position can be understood as resources set simply to support a population's survival and development. Because the resources are limited, this ecology position's bearing capacity is limited, here using to make an analogy that in the fixed point in time employment capacity of the labor market is limited.



Note: what (1) the superscript brings a is the dummy variable, corresponding coefficient representing the influence of dummy variable from 0 to 1 on employment probability. (2) \* represents that 10% significance levels, \*\* represents 5% significance levels, \*\*\* represents 1% significance levels.

**Table 9 The influence of employability on graduates' monthly salary cash income**

Independent variable	Coefficient	The standard error	P value
Employability	0.2826	0.0614	0.0000
Employment guidance and service	-0.0273	0.0209	0.1920
Practice related to the major	-0.0014	0.0214	0.9480
Practice not related to the major	0.0203	0.0293	0.4870
Male	0.1211	0.0179	0.0000
Non-211 universities	0.1700	0.0329	0.0000
211 universities	0.3463	0.0387	0.0000
Provincial capital city	0.1572	0.0179	0.0000
Municipality	0.3920	0.0322	0.0000
State-owned business	0.1626	0.0776	0.0360
Privately operated/individual enterprise	0.1219	0.0748	0.1030
Government apparatus/scientific research Institution	0.1648	0.0809	0.0420
Foreign capital/Chinese-foreign joint venture	0.2413	0.0764	0.0020
Enterprises of 50-300 persons	0.0660	0.0265	0.0130
Enterprises of 300-500 persons	0.0724	0.0362	0.0460
Enterprises of 500-1000 persons	0.1044	0.0327	0.0010
Enterprises of 1000-3000 persons	0.1521	0.0311	0.0000
Enterprises of over 3000 persons	0.2745	0.0293	0.0000
Constant	6.7040	0.0905	0.0000

R square =0.2315 , F statistics =37.44 , The sample size is 2171.

The empirical study also discovered that major-related internship can improve employability and for the more, it has a significant independent effect on graduate employment, which is consistent with Mason et al.'s (2009) research. However, the internship and career guidance that has nothing to do with the major increase the employment probability indirectly through the improvement of employability. The empirical results are shown in Table 10.

**Table 10 The OLS regression result of employability influencing factors**

	Coefficient	The standard error	P value
Internship related to the major	0.0462	0.0067	0.0000

Internship not related to the major	0.0242	0.0096	0.0120
Employment guidance and service	0.0177	0.0065	0.0060
Male	0.0260	0.0058	0.0000
Non-211 universities	0.0298	0.0106	0.0050
211 universities	0.0356	0.0122	0.0040
Constant	0.4061	0.0128	0.0000
R square =0.0331	F statistics =14.54,	The sample size is 2558	

The research also indicated that the internship, the career guidance and service do not have the remarkable influence in the graduate starting salary. The gender difference and school types are the main factors influencing the graduate employment and the starting salary. Since it is unable to measure the employability accurately, employers are prone to employ the graduates from the university “211” and the male graduate who are supposed to have higher average ability. Since capacity varies from one individual to another, taking the sex and the school type as recruitment standards will not only lower the allocate efficiency of the labor market, but also make the female graduate and the graduates not from the university “211” suffer from statistical discrimination, thus aggravating employment difficulties.

Through the depth interview with the China Oilfield Services Limited about employment capacity demand as well as questionnaire surveys of more than 500 student's, our research discovered: first, although hard skills and soft skills in the application layer<sup>7</sup> are increasingly required by work responsibility, soft skills in the practice layer and the talent layer like sense of responsibility, incentives to achievement, are even more important in the operational site. Second, the university student's cognition of employability differs from the enterprise demand. The research indicated that the university students and the enterprise have remarkably different cognitions regarding the sense of responsibility, the oral power of expression, and the incentives to achievement, foreign language ability and the written ability. Among various essential factors in employability model, sense of responsibility is considered as the most important by employers and leadership has the lowest important average value. In contrast, students consider the ability of problem solving to be the most important and the innovation ability to be the least important. At the same time, the employer side thought that the sense of responsibility, the professional dedication, the speaking ability, learning capability, and the ability of problem solving are the most important abilities. Foreign language ability, computer capacity, innovation ability, management and supervision ability and leadership are the least important items. On the contrary, the undergraduate students thought the ability of problem solving, foreign language ability, plan-coordinating ability, learning capability, computer capacity are the most important abilities, while five lowest important abilities

<sup>7</sup> Special technical knowledge and the duty guidance's skills, like carrying-out ability, plan-coordinating ability, ability to solve the actual problem, crisis strain capacity, management and surveillance ability, innovation ability and leadership and so on;

respectively are crisis strain capacity, the incentives to achievement, the written power of expression, leadership and management surveillance ability. Although the enterprise pays more and more attention to staff's soft skills like sense of responsibility, human communication ability and learning capability, the student actually thought that these abilities are less important compared with the knowledge, foreign language ability and the computer capacity, which demonstrated that the university student and employer's cognition differences about soft skill already appears quite prominent. Third, the research found that student's practice time assumes the inverse correlation related to the student's cognition difference in employability, specifically, students with longer practice time has less cognition differences in employability with the enterprise. Internship is the fundamental learning approach that teaches university students about real life; by working in the enterprise, students may deepen their cognition regarding working conditions, work responsibility and work requirement, thus understand enterprise's demand for employability, appraise and develop correctly individual special characteristic advantageous to work, develop communication and interactive ability, and establish the career plan and the development strategy. Fourth, the teachers are the main characters to decide the curriculum system, the course content, and educational model. There is a great diversity of teachers in china's applied-type universities. Also, universities attach great importance to teachers' practical work experience. Research on the constitution of petroleum engineering teachers in three Petroleum universities indicated that most of these specialized teachers come directly from universities without practice experience. It is also shown that the teaching method and the course content can hardly satisfy the practical work.

Through the investigation of course designs, the teaching and training programs of human resources management in 42 colleges and universities, as well as the analysis of university students' self-perceived employability, and of some human resources management practitioner, it is discovered that although the human resources management programs in domestic universities have contained the main function of traditional human resources management completely, new responsibilities of human resources management practitioners have not yet been paid enough attention to so that the curriculum system and the school teaching activity can not help settle problems posed by new challenges of human resources management. Different types of universities have teaching problems such as repeated setting and convergence in curriculum, no clear specialty orientation, which is not conducive to promoting the university students' employability. As for the appraisal of the importance of the human resources management curriculum, human resources management practitioner stressed the utility of the curriculum, as well as the function that teaching practice and the practice have on promoting the university students' employability. In the aspect of self-perceived employability, the university students speak highly of their comprehensive quality, particularly their own communication skill with the highest appraisal while give the lowest appraisal to their own professional skill; as to the satisfaction of the professional training programs , the university student is quite satisfied with the training goals, teacher's teaching level, major-related academic

activities and debating championships and essay contests held by their colleges and universities. However, they are unsatisfied with the career guidance. In view of the above, all the points below should be taken into consideration when making policies and strategies in the future. First, it is necessary to pay attention to the demand of the society and continually adjust the curriculum system. Second, universities should be clear about the specialized orientation and fully manifest the school's characteristic in order to keep up with the international trend. Third, we should improve the training programs and enrich the curriculum system while paying equal attention to the integrative competence and the professional skill, so that to cultivate human resources management graduates with potential.

## ii. The professional school students

Recent years, the structural unemployment in our country is prominent, and also has an effect in the vocational education. Therefore, training students according to the market demand becomes the important target of the development of the vocational education. Research on essential factors of students' employability of the vocational-technical school in transportation indicated that among the essential factors of students' employability, operative skills are the most important. But the most prominent problems of vocational-technical school students are unclear self-positioning, bad practice-handling ability and bad duplicate adaptive ability. In addition, non-cognition skills, like the sense of responsibility, teamwork, work initiative, honesty also suffer these defects. Vocational-technical schools specialized in transportation can not keep pace with the actual demand of the enterprise in the aspects of teaching goal, course content as well as teachers constitution. Big difference exists between students and the employers in their perception of students' employability, which is the basic reason for the employability gap of the students in the vocational-technical schools. As shown in Table 11.

**Table 11 The comparison of “the most important five skills” chosen by the vocational-technical school and business Employer**

Vocational-technical school's choice with high proportion	School's choice with high proportion
Language competence	Listens attentively to the understanding ability
Reading and writing ability	Inferring and operating capability
Plan-coordinating ability	Affair-handling ability
Organization-managing capacity	Problem-solving ability
Analysis and judgment ability	Learning ability
Crisis-straining capacity	Carrying-out ability
Independent working ability	Innovation ability
Self-sales promotion ability	Introspection ability
Information-handling capacity	
Social communication ability	

In brief, it appears especially urgent for the vocational-technical education to take “training the students’ employability” as the targets of development and fundamentally enhance the efficiency of school.

## **V. Employability of veteran, rural migrant workers and the unemployed**

### **i. Veteran**

It should be noticed that through the military training, soldiers have numerous unique, distinct and high-level non-cognition skills, such as perfect political quality and fine attitude to work, the sense of responsibility and professional dedication, reliable group consciousness and team spirit, firm and unyielding tenacious will, obedient consciousness and so on. But the question is after the serviceman leaves the army and then takes part in the construction of the economy and the society, the market and the battlefield naturally display different requests for the talented person’s knowledge and the skill structure. Although the veteran has the good political quality and military skill, the specialized knowledge and the basic skill do not get the advantage obviously compared with other social group and the veterans’ employability can not match the market demand, which intensified the competition situation when veteran enter the labor market.

To improve the employability of veterans, international experience can be used as reference. The US government makes laws in view of the serviceman's characteristic in different periods, supports veteran serviceman's education and training, and sets up the specialized agency responsible for the veteran serviceman’s employment business, consciously increases the training of the general knowledge and skill in service period to lay a firm foundation for the serviceman’s employability. Russia government pays great attention to the construction of the laws and regulations, reduces the human factors influencing the serviceman’s veteran and placement system, and provides the preferential benefit to the veteran serviceman; the government leads the training of the veteran servicemen, combining with the relative colleges and universities, the training organization and the social group to provide the employment training and the service for the serviceman and so on. Japan insisted that the army and the government cooperate closely, forming veteran serviceman’s re-employment network with sound organization and close cooperation, adopts the training form combining the training inside the army and outside the army, provides different training content according to soldiers’ different duties and branches of the armed forces and so on. India pays great attention to the serviceman's employability training and so on. The research indicated the following several aspects of work that should be done to enhance serviceman's employability. First, the country must transform the role, from job placement's main body to the leader of improving serviceman's employability. It is included that making laws and regulations of serviceman's employability training, institutionally providing the guarantee for serviceman’s employability formation; establishing special organization responsible for developing the veterans’ employability; and the government as the leader, integrates, releases and impels each kind of training resources, and introduces the market factor to the training of the serviceman’s employability and so on. Second, perfect the training mechanism of the serviceman’s employability, to promote the employability promotion by

training. This will include extending the training through the serviceman's entire career, from the service until the primary employment; understanding promptly serviceman's employment demand, and applying target-oriented employability training in view of the different rank, the different duty, the different employment demand; impelling veterans' employability development to connect with the systems such as vocational skill authentication and so on. Third, advance "the Chinese characteristic military officer professionalism system" safely and positively and so on.

## ii. Rural migrant workers

The rural migrant workers is a unique feature of Chinese labor market system, having intense historical trace and the characteristic brought by the city and countryside isolation system, has accomplished the competitive power superiority of Chinese industry through the by-business and the low cost, and also becomes the biggest source of China industrial worker community. It has become urgent to provide the qualified technical worker for the economic development by enlarging the human resource investment in the surplus rural labor and developing professional technical training. Therefore, Chinese government has released many programs one after another aiming at improving rural migrant workers' employability, including the sunlight project, the employment skill development plan of the rural labor force, the rain-and-dew project and so on. Tens of billions RMB fiscal subsidies are invested in public training programs every year. It has become an important research topic that whether these training projects with huge investment are effective, and whether they have promoted farmer's employability and increased their income.

The regression analysis of the training effect of some trainees in the sunlight project in the Henan Province indicated that the training has a remarkable positive impact on the training effect, the employability enhancement, and the work status improvement. As shown in Table 12.

**Table 12 The regression result of the controlled variable, the training implementation to the training effect**

Independent variable	Dependent variable		
	Training effect	Employability promotion	Work status improvement
(Constant)	11.983	3.495	8.358
Implementation of training	.936***	.440***	.498***
Marriage	.540	.328	.298
Number of children	-1.641	-.590	-1.119
Sex	-2.512	-.644	-1.930
Age	.182	.079	.108
High school record	3.142	.907	2.247
Working age	-.003	-.002	-.004

Training time	-0.012	-.009*	-.002
Electric welder	-8.276	.771	-9.083**
Microcomputer operation	-5.728	.908	-6.690
Other processing class	-1.431	2.610	-4.027
Chef	-8.259	.203	-8.482
Hair stylist	-7.046	1.377	-8.509**
Numerical control processing	-7.531	-.317	-7.059
Electrical appliances maintenance worker	-13.244	-.497	-12.740**
Other electronic electric appliance class	-2.882	1.435	-4.265
Lathe worker	-4.705	2.727	-7.559
Construction labor	-7.336	.692	-8.068**
Hardware assembly	-3.712	-.228	-3.454
Automobile driving and service	-13.993	-3.601	-10.381**
Other computer application	-12.077	-1.896	-10.263**
Electrically operated tailoring labor	-2.714	2.332	-4.961
Household service person	-7.919	-.360	-7.646
Shop employee	-10.356	-.911	-9.205
$R^2$	0.667	0.559	0.626
Adjusted $R^2$	0.584	0.450	0.532

Note: \* expresses that regression coefficient is significant when  $p < 0.05$ . \*\* expresses that regression coefficient is significant when  $p < 0.01$ . \*\*\* expresses that regression coefficient is significant when  $p < 0.001$ .

The multiple regression analysis indicated that “implementation of training”, the “training hardware”, and the “teacher quality” have remarkable positive effects in the employability promotion and the work status improvement, among which the “training hardware” has the biggest influence on the training effect. As Table 12 and Table 13 show.

**Table 13 The regression result of the teachers’ condition, the training hardware condition to training effect, the employability promotion and the work status improvement**

Independent variable	Dependent variable		
	Training effect	Employability promotion	Work status improvement
(Constant)	8.259**	4.755*	1.949

Teacher quality	.837**	.413*	.419*
Training hardware	.982***	.488***	.523***
Training time(day)	-.017***	-.012***	
$R^2$	0.607	0.550	0.505
Adjusted $R^2$	0.601	0.542	0.499

*Note: \* expresses that regression coefficient is significant when  $p < 0.05$ . \*\* expresses that regression coefficient is significant when  $p < 0.01$ . \*\*\* expresses that regression coefficient is significant when  $p < 0.001$ .*

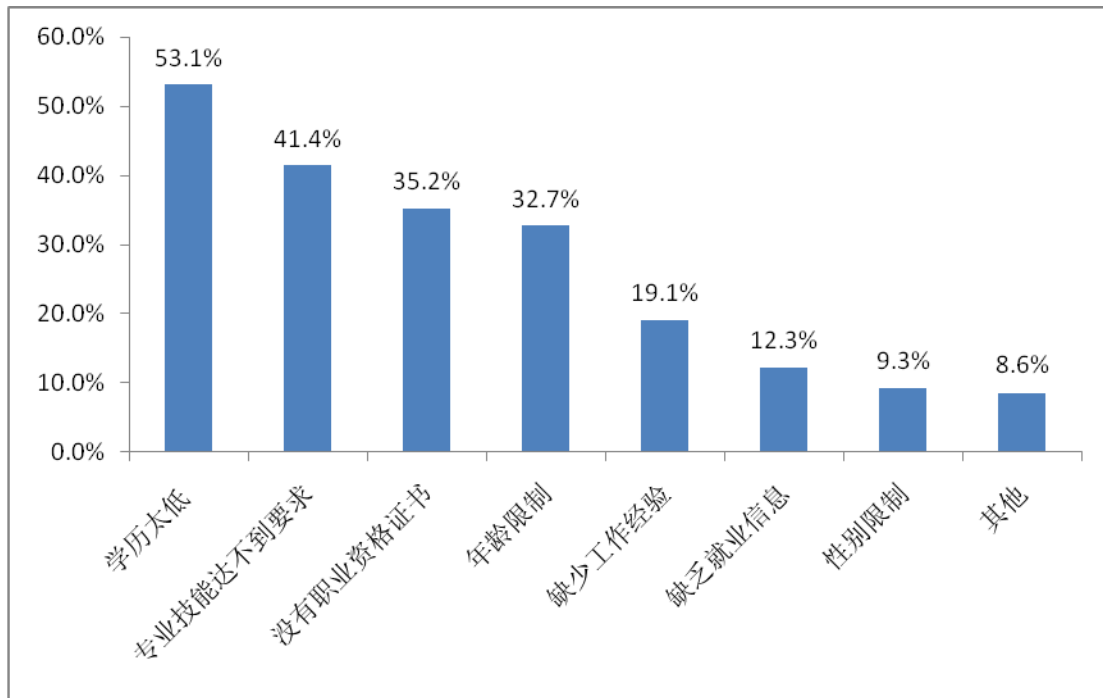
Although the sunlight project has made certain progress, it still has some problems. For instance, trainers' appraisals of training aids equipment, training materials, and the training time are not high. It is discovered that trainees think that the training time is short and the training aids are old, which are not in favor of employability promotion through reorganization the open questions of the questionnaires. Moreover, the participant feel that although the sunlight project has strengthened their self-confidence, increased their knowledge, and promoted their technical level, it does not help much in obtaining a higher income, improving working mode and promoting working efficiency.

### **iii. The Long-term unemployed**

The solution to the problem of the long-term unemployed people's employment is directly related to the harmonious society developing, and employability is the key aspect determining whether the long-term unemployed will be re-employed. Based on literature review, we have carried on questionnaire survey of 176 long-term unemployed people and in-depth interviews of 50 people, the unemployed people registered in social security office in Haidian street Haidian District Beijing. Research on the long-term unemployed people's "the employability gap" and the effects that training has on promoting their employability discovered that in our country the long-term unemployed people's school records are universally low, their knowledge are out-dated, and their skill levels are too low to meet the market need, and the shortage of human capital quantity extends their unemployment duration.

As shown in Figure 5, among items concerning unemployed people self-perceived obstacles in looking for jobs, "the professional skill could not meet the requirements" ranks the second; "did not have the occupational qualification certificates" ranks the third, and the two occupied respective proportions of 41.4% and 35.2%. That "the professional skill cannot meet the requirements" shows unemployed people's existing skill level cannot meet the requirements of the post advertised. That "does not have the skill which the occupational qualification certificates" indicates that unemployed people's existing skill cannot meet the demand of the employers. These data reflects the low skill and the skill gap are the important attributes hindering the unemployed people's re-employment.





**Figure 5 The factor influencing the re-employment of long-term unemployed**

Most of the unemployed people's social relationship network is dwindled after they are unemployed, and the scarcity of the social capital reduces the possibility of the unemployed seeking a position through the social relations network. The phenomenon of age discrimination aggravated the employment condition of the long-term unemployed. Correlation analysis between the age and the unemployment duration demonstrate that the long-term unemployed people's age and the unemployment duration are remarkably related, and the Pearson correlation coefficient is 0.415, namely the older the unemployed people, the longer the unemployment duration.

Given that among the long-term unemployed people, the older group's education level is lower than the younger group obviously, it is necessary to reject the factor of the education level in order to eliminate the education level's influence on the unemployment duration. The analysis showed that after rejecting the influence of education level, the age and the unemployment duration's partial correlation coefficient is 0.372, i.e. age itself does not influence the unemployment duration as much as the simple correlation does, but the phenomenon of age discrimination in labor market becomes one of the obstacles that hinders the long-term unemployed people's re-employment. As shown in Table 14

**Table 14 Partial correlation analysis of age and unemployment duration**

Correlations					
Control Variables		Unemployment duration	Age	Education level	
-none <sup>a</sup>	Unemployment	Correlation	1.000	.415	-.272

	duration	Significance (2-tailed)	.	.000	.000
		df	0	173	173
	Age	Correlation	.415	1.000	-.252
		Significance (2-tailed)	.000	.	.001
		df	173	0	173
	Education level	Correlation	-.272	-.252	1.000
		Significance (2-tailed)	.000	.001	.
		df	173	173	0
Education level	Unemployment duration	Correlation	1.000	.372	
		Significance (2-tailed)	.	.000	
		df	0	172	
	Age	Correlation	.372	1.000	
		Significance (2-tailed)	.000	.	
		df	172	0	
a. Cells contain zero-order (Pearson) correlations.					

The research indicated that the long-term unemployed participating in government unemployment training speak highly of the training project. Accepting the training of the essential skill and skill transformation has offered important help to their re-employment. The survey data from the long-term unemployed people's questionnaire demonstrate that 34.1% of the unemployed participated in training of all kinds, the average training time is 1.5 times, the average training period is within two weeks, and the training contents include workmanship training, employment-seeking skill training, and employment policy training and so on. And the proportion of the long-term unemployed that have participated in electrician, chef, household management service is 69.6%, the proportion of the long-term unemployed participating in writing the application letter, the resume, the interview skill is 21.4%, the unemployed participating in employment policy training is 23.2%. Regarding training effect, 93.1% of the long-term unemployed thought that training improved their own employability, and only 6.9% of the unemployed thought that training has not improved the employability. Therefore, receiving the employment training is very important to the long-term unemployed people's re-employment. The long-term unemployed people's investigation indicate that 20.5% of the unemployed people have participated in free skill training project held by the government aiming at the unemployed, and the proportion of the unemployment participating in re-employment training is obviously small. Moreover, the training project and the content have certain distance from the unemployed people's expectation, causing the government's existing training project and the training content fail to meet the their needs.

## V. Conclusion and policy suggestion

Without a doubt, reforming from traditional agriculture to industry and service industry, as well as planned economy system to market economy system, namely

under the broader background of so-called “double reforming”, labor market's constitutive property in our country is contradictory, and the problem of the employability promotion caused by the contradiction appears prominent. Therefore, it is necessary for the country to take strategies and measures of employability promotion in favor of each kind of worker.

a) Put the raise and the development of employability in the central content of national employment strategy. Fully understand the importance of employability in current and a next period of time, and pay great attention to the raise and the development of each kind of employability, specially the enhancement and development of soft ability.

b) Enhance the education and training of beginning an undertaking. Enlarge the research on the initiative capacity and the raise of the initiative capacity. The results of the domestic and foreign existing research outline many initiative capacities the pioneer should have, which should become the key work content of undertaking educates and trains from now on.

c) Emphasize the status and the function of in-service staffs' employability promotion to realize the structure reforming, and promote in-service staffs' employability promotion work through formulating each kind of incentive policy. This includes promoting the career management, carrying out skill wage system, strengthening and consummating the management of credentials, providing the tax preference to spur the enterprise to increase the human capital investment and so on.

d) Further reform the higher education and the vocational-technical education. By consummating the management structure and the school mechanism, as well as encouraging the school-enterprise cooperation and impelling the constructing of the practice base, enhance the school's responsiveness and ability to the external environment change, reduce the school and Employer's employability cognition difference and ability gap, and sharpen the enrolled student's employability on a large scale.

e) Enlarge training investment in the special groups personnel's ability, and the appraisal after the investment. Emphasize the raise and the development of the veterans' employability, promote and consummate the vocational skill authentication, and enlarge human capital investment in the rural migrant workers and the unemployed, namely increase the training work. Carry out policy appraisal of education and training effect aimed at all various groups, and take it as the key content from now on when all levels of the government to implement the job enlargement strategy and so on.

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