

## Soft Skills Attributes and Graduate Employability: A Case in Universiti Malaysia Sabah

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### *Abstract*

*This study aims to investigate the relationship between graduate's soft skills attributes and employment status among students in Universiti Malaysia Sabah (UMS). A total of 200 respondents were surveyed using data from the feedback form on the attributes of UMS trainee who are currently undergoing industrial training in the year 2015 and the Graduate Tracer Study 2015. Using the Chi-square test, the results reveal that the attributes examined (knowledge, ICT skills, technical skills, problem solving, communication skills, team work, leadership, professionalism and ethics) have no significant relationship with the employment status of the graduates.*

**Keywords:** *Employability, industrial training, graduate soft skills attributes, employment status*

### **1 Introduction**

The growing number of higher learning institutions in Malaysia are positive indicators of the creation of greater opportunities for individuals to obtain higher education and consequently the growth of human capital accumulation of the country (Nooriah & Zakiyah 2015). However, there are growing concerns on the issue of employability among graduates especially when graduates are not able to secure jobs once they graduated (Mohamad Idham et al. 2014). Unemployment among graduates cannot be attributed entirely to the lack of job opportunities. While job vacancies have been increasing steadily in Peninsular Malaysia, these vacancies are only partly filled (Zaliza & Safarin 2014). Jobs are often readily available but these graduates lack what is needed to get and keep jobs (Gurcharan Singh & Garib Singh 2008).

The general consensus among Malaysian employers indicates that Malaysian graduates are well trained in their areas of specialization but unfortunately, they lack 'soft skills' (Nurita, Shaharudin & Ainon 2004). Graduates may only be trained in the right technical knowledge and not in soft skills (Noor Azina 2011). Many young graduates leave universities without the right skills, attitudes, and understanding (Gurcharan Singh & Garib Singh 2008).

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Most graduates possess good quality in terms of education but they are weak in expressing themselves in terms of soft skills, known as employability skills when applied in the workplace. Soft skills are not popular previously, where the manufacturing sector had been the strongest sector in the country and the main contributor towards employment creation until the financial crisis in mid-1997. From this period onwards, the agriculture sector was being progressively replaced by the manufacturing and services sector. The services sector, in particular, required people who possess the right soft skills such as communication and interpersonal skills but acquiring graduates with those qualities has been quite difficult (Noor Azina 2011). Furthermore, it is a worldwide phenomenon where working environments require people to be more flexible, where more emphasis is placed on 'soft' factors and 'generic' competencies such as communication skills and personality features (Spenser & Spenser 1993) rather than solely on traditional human capital variables such as grade point averages and work experience.

Employers often search for graduates who are balanced, with good academic achievement and at the same time possess 'soft skills' such as communication skills, problem solving skills, interpersonal skills and the ability to be flexible (Nurita, Shaharudin & Ainon 2004). But, among of the employability skills mentioned, what is the exact components of employability skills relationship and the factors that affects graduates employability? This study examines relationship between soft skills attributes and graduate employability.

The utilization of skilled human capital contributes to the country's economy. From an economic perspective, Zhao (2012) stresses that unemployment represents unutilised labour resources; it can be argued that an increase in unemployment rate, *ceteris paribus*, causes additional efficiency losses. Mohamad Idham et al. (2014) imply that a country with high unemployment indicates that the country's labour resources is not fully utilised. Theoretically, a country that is not efficiently utilising its resources does not achieve its maximum output. Hence, full employment must be considered as macroeconomic goals if a country wants to maximize its output.

Following this introduction, section 2 gives an overview of the literature. The methodology is discussed in section 3. Section 4 presents the results and findings. Section 5 concludes.

## **2 Literature Review**

Employability skills is a set of achievement, understanding, and personal attitudes/qualities that mark the individual as potentially more able to get a desired job and to be successful in career choice. In general, employability skills are those aspects of skills and knowledge students need to have to equip them to fulfill various employment demands in the labour market after they have completed their studies. The development of graduate employability aspects is an important core in higher learning to enable the graduates to be gainfully employed in the job market (Harvey 2001).

Yorke and Knight (2006) define the term employability skills to refer to skills, knowledge, attitudes, and other abilities that are necessary for a graduate to secure and keep the first entry job in the labour force. Further, and more broadly, employability is the capability of individuals in effectively utilizing their knowledge, skills, and attitudes within a particular context to self-sufficiently realize their full potential by sustaining their own employment (Hillage & Pollard 1998).

Recently, educational researchers and employers have placed increasing attention of the importance of knowledge or also known as soft skills (Chamorro-Premuzic 2010). Evidence suggests that soft skills are an important predictor in employability sources (Lievens & Sackett 2012; Rynes, Orlitzky & Bretz 1997). The specific soft skills that may affect employability include communication skills: written communication skills (Andrews & Higson 2008; Ariana 2010; Gardner et al. 2005; Graham, Hampton & Willett 2010); verbal communication skills (Gardner et al. 2005; Gray 2010;) and listening skills (Cooper 1997; Goby & Lewis 2000). Similarly, professionalism has been identified as contributing to employability (Ashton 2011; Mat & Zabidi 2010). Lastly, scholars have identified interpersonal skills – such as the ability to work effectively in teams – as an important employability factor (Wellman 2010). To sum up, research conducted from a range of disciplines and occupations converges found that soft skills influence employability.

Ranjit (2009) stresses that the primary weaknesses of Malaysian graduates are in the aspect of management, problem-solving, communication, creativity, critical thinking, proactive, self-confidence and interaction, including the leadership skills. These aspects lead to difficulties for the graduates in obtaining jobs. These qualities are the desired human capital which is considered a must in a worker by employers. Employers and the industry associations commonly associate the lack of soft skills such as a positive work ethic, communication skills, team working, decision making skill and leadership as a key factor affecting the employability of Malaysian graduates (Zaliza & Mohd Safarin 2014).

The services sector required individuals who possess good communication and interpersonal skills. Unfortunately, it is quite difficult to find graduates with these qualities. First of all, graduates may only be trained in the right technical knowledge but not in soft skills. Secondly, since the official language of Malaysia used is Bahasa Melayu and the teaching of almost all subjects in primary and secondary schools, and some public universities are not fully in English, some local graduates may find it very difficult to communicate in English language when they go out into the 'real' world (Noor Azina 2011). Various studies suggest that employers in all occupational fields place greater value on employees' communication skills more than

they do on technical skills (Maes, Weldy & Icenogle 1997; McPherson 1998; Winterbotham, Adams & Kuechel 2001).

Soft skills refer to a collective of personal qualities, and social graces that make the person is a good employee or a compatible co-worker. Thus, soft skills are correlated for effective performance in a broad range of jobs and are transferable via different workplaces. This means that soft skills benefit everyone in the organization (Che An Abdul Ghani & Shattar Md Sabran 2007).

Employability skills are within the graduates' human capital. It is something that graduates cannot pretend to, where it is actually related close to person's personality or attributes. These 'soft skills' (also known as employability skills) are foundation skills that apply across the board, no matter what job the employee is performing (Lawrence 2002). Unfortunately, graduates nowadays lack soft skills and most of them are still troubled to keep up with the employer's requirements and expectations.

It has been acknowledged by the general consensus of Malaysian employers that Malaysian graduates lack the 'soft skills' although are well trained in their areas of specialization (Nurita, Shaharudin & Ainon 2004). As an implication, universities need to equip students not just with intellectual capabilities but also applied practical soft skills which turn them to be more 'work ready' (Nurkaliza et al. 2014).

Soft skills are complemented by hard skills which are usually related to professional knowledge, tools, or techniques that allow us to work within profession. Soft skills could also be developed indirectly through on support programs such as co-curriculum activities. These can assist students to explore their interest and even encouraging teamwork and via commitment (Nurkaliza Khalid et al. 2014). Finally, soft skills could also be developed with the introduction of industrial training program at the end of their final year studies. These students or trainees will realize the importance of learning a certain level of soft skills as they will have a preview of what is expected out of them, apart from gaining practical experience and application of their technical skills (Nurkaliza Khalid et al. 2014).

### **3 Methodology**

The data used in this study is obtained from two main sources, which are the Feedback on the Attributes of UMS Trainee Who Are Currently Undergoing Industrial Training for the year 2015 and the Graduates Tracer Study 2015 administered by the Ministry of Higher Education Malaysia. Each year since the year 2004, the Malaysian Ministry of Higher Education (MOHE) conducts studies on new graduates at the point of their graduation day. The study aims to provide a picture of graduate employability,

graduate job market, job trend and job mobility. Historically, the National Graduates Tracer Study was first initiated and coordinated by the Economic Planning Unit (EPU), Prime Minister Department in 2002. However, from 2003 to 2004, the study was taken over by the Malaysian Ministry of Education (MOE) before it was then passed to the Ministry of Higher Education (MOHE) (Nordin Kardi et al. 2009).

The survey on the “Feedback on the Attributes of UMS Trainee who are Currently Undergoing Industrial Training” is administered by the Centre for Industry and Community Network (CICN) at Universiti Malaysia Sabah (UMS). In general, undergraduate students in Universiti Malaysia Sabah undergo a 12-week industrial attachment at private or public organisations. The questionnaire consists of 3 sections. Section A records the company’s and trainees’ (students) background. Section B comprises the evaluation of employers on the trainee’s possession of certain attributes evaluated using a likert scale from 1 to 7, with 1 being very strongly disagree and 7 being very strongly agree. The attributes evaluated include knowledge, technical skills, ICT skills, problem solving, communication skills, team work, leadership as well as professionalism and ethics. Section C documents the employers’ comments on the university’s industrial training program such as the adequacy of the training period. The form is filled in by the employers after the trainee completed 12 weeks of attachment at their organisations.

For the purpose of this study, the employer’s evaluation on the graduates’ employability attributes from the CICN survey is matched with their employment status collected from the Graduate Tracer Study 2015. The sample used in this study is students from the Faculty of Business, Economics and Accountancy who have undergone their industrial training in 2015. The total number of observations matched from both the CICN survey and Tracer Study is 258. However, a total of 58 respondents is dropped from the sample due to incomplete questionnaires. The final number of observations used in this study is 200. The data is analysed using the Statistical Package for Social Science (SPSS) version 20.

The model used in this study will test the hypothesis on whether there is any relationship between the attributes of employability skills and the employment status of UMS graduates. The soft skill attributes or variables included in this study include the knowledge (Halpern 1998; Reid & Anderson), technical skills (Conrad & Newberry 2012), ICT knowledge (Nooriah & Zakiyah 2015), problem solving skills (Fallows & Steven 2000; Wellman 2010), communication skills (Ariyawansa 2008; Mohamad Idham et al. 2014; Mansour & Dean 2016), team work, leadership (Yee, Kui & Wei 2015) and professionalism and ethics (Mason, Williams & Crammer 2006). The dependent variable is the employment status of the students.

## 4 Results and findings

The distribution of the respondents' profile. In terms of employment, table 4.1 shows that 38.5% of the total respondents are working. The remaining are not working.

Table 4.1: Respondents' Profile

	Category	Frequency	Percentage (%)
Gender	Male	46	23.0
	Female	154	77.0
Employment Status	Working	77	38.5
	Not working	123	61.5
Course of Study	Business	103	51.5
	Economics	85	42.5
	Accountancy	12	6.0

The descriptive statistics for the soft skill attributes in table 4.2 shows that the highest mean score is 6.204 for team work, while the lowest score is 5.665 for technical and communication skills.

Table 4.2: Descriptive Statistics

	Minimum	Maximum	Mean	Std. Deviation
Knowledge	3.40	7.00	5.8360	.80420
Technical Skills	3.20	7.00	5.6650	.88765
ICT Skills	3.20	7.00	6.1830	.79161
Problem Solving	2.40	7.00	5.8170	.85461
Communication Skills	2.20	7.00	5.6650	.91551
Team Work	3.00	7.00	6.2040	.80275
Leadership	3.00	7.00	5.8290	.90945
Professionalism and Ethics	3.40	7.00	6.1430	.80859

The relationship between the soft skill attributes and the employment status of the graduates is examined using the chi-square test. The null hypothesis assumes that there is no significant difference between soft skill attributes and employment status. The results indicate that there are no significant differences in terms of soft skill attributes between the employed and not employed graduates. The results are shown in Appendix A.

## **5 Discussion and Conclusion**

The findings in section 4 suggest that there is no significant difference between the underlying distributions of soft skill attributes of the employed and unemployed graduates. This is in contrast with previous findings suggesting that the soft skill attributes examined affect an individual's employability (Huang & Lin 2011; Laker & Powell 2011; Fairuzza, Mohamad Nazuir & Wahid 2011).

The data shows that 61% of the employed graduates have undergone industrial training at private organisations. While these students most probably display high level of employability skills, it is possible that organisations are more willing to offer job or absorb graduates to their organisations especially when the graduates performed well during the training period. Thus, the program serves as a pathway for recruitment of human resources recruitment. Within the distribution of the graduates yet to be employed, 41.5% have undergone their industrial training at the government agencies.

The Graduate Tracer Study is usually filled in by graduate at the time of convocation. In the case of graduates from Universiti Malaysia Sabah, the time between the end of the industrial training program to the date of convocation is about 8 weeks. During this period, the job search intensity among undergraduates who have just completed their industrial training may be low. Therefore, there may be no significant differences between the soft skills attributes of the employed and not employed graduates. However, future study may consider a longer time gap between graduation and getting a first job in order to identify whether graduates differ significantly in their soft skills attributes. Factors other than soft skills may affect graduate employability such as being choosy or demanding high salary.

In conclusion, the Ministry of Higher Education in Malaysia has aggressively embarked on a mission to take towards the students and enhance their soft skills development in order to produce high quality human capital, knowledgeable, competitive, creative and have an innovative feature and move in line with industry requirements and social needs of the country. The challenge to produce a highly-skilled workforce in Malaysia therefore lies on the various stakeholders of the education system and the labour market institutions. The utilization of the highly-skilled workers can contribute to more robust economic growth in the country.

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## APPENDIX A

### Chi-Square Tests

#### *Knowledge*

##### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	16.499 <sup>a</sup>	17	.489
Likelihood Ratio	18.569	17	.354
Linear-by-Linear Association	.067	1	.796
N of Valid Cases	200		

#### *Technical Skills*

##### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	10.137 <sup>a</sup>	19	.949
Likelihood Ratio	11.457	19	.908
Linear-by-Linear Association	.155	1	.694
N of Valid Cases	200		

#### *ICT Skills*

##### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	26.085 <sup>a</sup>	14	.025
Likelihood Ratio	31.681	14	.004
Linear-by-Linear Association	.464	1	.496
N of Valid Cases	200		

#### *Problem Solving*

##### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	11.655 <sup>a</sup>	19	.900
Likelihood Ratio	13.372	19	.819
Linear-by-Linear Association	.036	1	.850
N of Valid Cases	200		

*Communication*

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14.827 <sup>a</sup>	20	.786
Likelihood Ratio	17.420	20	.626
Linear-by-Linear Association	.170	1	.680
N of Valid Cases	200		

*Team work*

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	16.148 <sup>a</sup>	16	.443
Likelihood Ratio	19.952	16	.222
Linear-by-Linear Association	.447	1	.504
N of Valid Cases	200		

*Leadership*

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	17.467 <sup>a</sup>	19	.558
Likelihood Ratio	20.592	19	.360
Linear-by-Linear Association	.008	1	.928
N of Valid Cases	200		

*Professionalism and Ethics*

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	15.023 <sup>a</sup>	18	.660
Likelihood Ratio	16.973	18	.525
Linear-by-Linear Association	.082	1	.775
N of Valid Cases	200		