A Proposed Conceptual Framework for Malaysian Graduates' Competencies

Rajaletchumy d/o Mani^a, Wan Salmuni Wan Mustaffa^{b*}

 ^a Department of Business and Public Administration, Faculty of Business and Finance, Universiti Tunku Abdul Rahman, 31900 Kampar, Perak, Malaysia
^{a,b} Department of Business Management and Entrepreneurship, Faculty of Management and Economics, Universiti Pendidikan Sultan Idris, 35900 Tanjong Malim, Perak, Malaysia Corresponding Author: <u>wan.salmuni@fpe.upsi.edu.my</u>

To cite this article (APA): Mani, R., & Wan Salmuni Wan Mustaffa. (2024). A Proposed Conceptual Framework for Malaysian Graduates' Competencies. International Business Education Journal, 17(1), 109–117. https://doi.org/10.37134/ibej.Vol17.1.9.2024

To link to this article: https://doi.org/10.37134/ibej.Vol17.1.9.2024

Abstract

The competencies of Malaysian graduates are consistently a concern to the universities, industry partners, and other stakeholders. Previous studies have given limited evidence regarding the existence of a set of competencies for graduates of the profession. Accordingly, this paper aims to propose a conceptual framework for Malaysian graduates' competencies. The proposed framework contains five competencies for Malaysian graduates namely threshold competencies, distinguishing competencies, task requirements competencies, communication and language competencies, and creativity and innovation competencies. The framework presents practical implications, particularly for higher education institutions and educators. This framework can broadly be adapted to guide university education in designing academic programs by incorporating a balance of skills and personal qualities to accommodate the current and future job market requirements. An empirical investigation should be conducted by future researchers to verify the proposed framework for Malaysian graduates' competencies.

Keywords:

Malaysian Graduates, Employability, Competency

INTRODUCTION

In the present day, higher education is one of the institutions that is extensively acknowledged as an essential contributor to a country's economic growth. The higher education sector has produced graduates who possess certain skills that are necessary for industry and lead them to carry out many research and development activities. This is important for the continuous growth of businesses and the development of the country. In today's global world, frequent changes happen from time to time have become more difficult to keep up with current trends (Mokhtar et al., 2022).

Graduates should possess a diverse of accomplishments, such as skills, knowledge, and other attributes to enhance their employment and achieve success in their work. These advantages themselves, the organization in which they are employed, and the economy of the country as a

whole. According to Hosain et al. (2021), it is important and mandatory for universities and graduates to learn and acquire new skills in order to get the job they expect.

The unemployment rate for graduates in Malaysia is more than three times the national unemployment rate (Khan et al., 2021). This issue raises concerns about whether education systems are meeting industry needs (Baqutayan et al., 2019). Consequently, the industry is attempting to develop measures that bridge the skills gap (Nadarajah, 2021; Kannan et al., 2020), while academics and policymakers are calling for further research to pinpoint the causes of graduate unemployment.

The shift toward Industrial Revolution 4.0 (IR 4.0) requires the teaching of advanced technical skills and abilities to graduates (Azmi et al., 2018). Acquiring sufficient skills to facilitate the implementation of IR 4.0 in the Malaysian labor market is a challenge. According to the Malaysian Ministry of Education, the lack of these skills is the main cause of unemployment among graduates. There is a mismatch between the skills acquired in higher education and those required in the labor market (Ahmed Waham & Lestari, 2019; Azevedo et al., 2012; Mason et al., 2003), thus reskilling and upskilling become necessary to increase employability (Owebvbiugie & Egbri, 2020).

The employability of graduates has become a significant topic for both Higher Education Institutions and organizations. Studies have linked graduate employability with success in the labor market and identified essential competencies to enhance it (Bethell-Fox, 1997; Kiong-Hock, 1986; Le'vy-Leboyer, 1992; Stasz, 2001). Despite numerous studies on the issue, there is no agreement on the optimal combination of skills to improve labor market success (Craps et al, 2022; Teijeiro et al., 2013; Ashton & Green, 1996; Barth, Godeman, Rieckmann, & Stoltenberg, 2007; Biesma, Pavlova, Van Merode, & Groot, 2007; Kelly et al., 2010; OECD, 2008; Stasz, 2001; Strauss & Sawyer, 1986).

As individuals pursue higher education, they gain a greater understanding of various subjects and concepts. This knowledge enables them to make informed decisions when selecting a career path that aligns with their strengths and abilities. Therefore, there is a need to establish a set of competency standards based on professions to guide the university, industry partners, and other stakeholders. Accordingly, this study aims to review past studies to propose a conceptual framework for Malaysian graduates' competencies.

LITERATURE REVIEW

Over the past decade, various definitions of competence have been suggested by scholars. However, it is generally defined as a set of personal characteristics, attitudes, knowledge, and skills that lead to high-quality performance. Many studies do not provide clear definitions of competencies, making it difficult for future research to build upon their findings (Craps et al. 2020; Cruz et al., 2020). Employers may not be satisfied with essential generic competencies like non-technical or soft skills (Azevedo, Apfelthaler, & Hurst, 2012; Malec, & Királ'ová, 2018) because each profession requires different sets of competencies to achieve better efficiency and productivity.

Competence models are used by employers to select employees who possess the necessary skills and abilities required for a specific job. By doing so, overall efficiency can be improved. This approach saves both time and money by eliminating the need for employees to undergo training in areas that are not relevant to their roles. Employers can identify the necessary competencies for a specific job by understanding competence models, which then allows them to plan on-the-job training effectively (Husain et al., 2010). From an employee's perspective, competence models serve as guidelines and requirements of the labor market, helping to enhance

their employability, increase their wages, and reduce job search costs.

Competency-based human resources are considered in the following areas: task requirements, thresholds, and distinguishing competency which have sources of competitive advantage for the organization. These ideas are essential for understanding the needs of a task or role, including the level of performance. Threshold competencies are imperative for all job holders to achieve a minimum skill level. Threshold competence or basic competence is the minimum set of skills, knowledge, abilities, and personal behaviors required to perform a job (Rosman et al., 2022; Nagata, 2010)

Some competencies distinguish outstanding from average performance as reported in various countries (Boyatzis, 1982; Spencer & Spencer, 1993) as distinguish competencies. Distinguishing competencies are competencies that managers need to excel in their jobs. For example, a manager should have general competencies such as performance orientation, proactivity, and self-confidence (Boyatzis, 1982; Jackson, 2011).

The task competencies required for university graduates have been consistent with in-depth studies of job descriptions by scholars for many years (Boyatzis, 1982; Jackson, 2011). In addition, they used the definition of competence in the discourse on employability as it encompasses attributes that contribute to meeting competition and job requirements.

Communication aims to support daily operations, build relationships, gain commitment, and be persuasive in a highly valued environment. These skills are essential requirements for graduates and a necessary form of communication. Currently, English is widely used as the first, second, or third language in various countries worldwide.

Creativity and innovation are skills that 21st-century industries need. These competencies are also essential to succeed academically, vocationally, and socially. Moreover, there is a great demand for graduates with 21st-century skills to compete globally. Therefore, higher education institutions in Malaysia face the constant challenge of providing 21st-century skills that will enable them to compete in today's globalized knowledge-based society.

Because of the broad perspective of competency, this study focuses on competency-based human resources and 21st-century competency. Competencies can be divided into five categories: threshold competencies, distinctive competencies, task requirements, communication and language skills, creativity, and innovation. However, there is a problem with the competency framework informing competencies in IR4.0 (Erol et al., 2016; Sima et al., 2020). Therefore, the right competencies need to be identified to maximize employee performance in the transition to IR4.0.

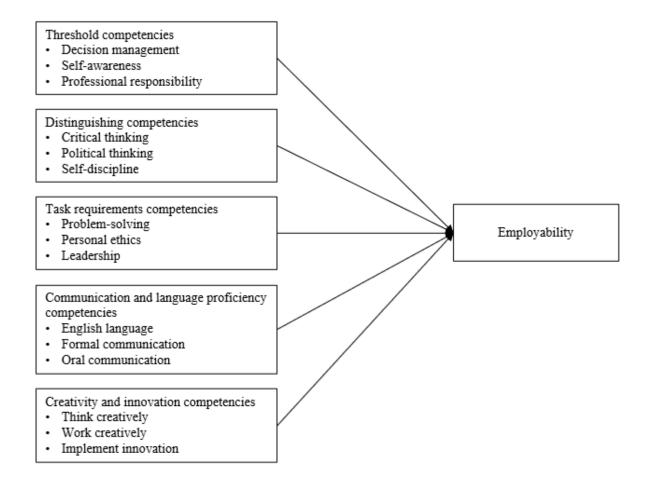
Proposed Conceptual Framework

The conceptual framework shown in Figure 1.1 is used to determine the dependent and independent variables of this study. The independent variables of this study are the domains of competency skills, which include threshold competencies, distinguishing competencies, task requirements, communication and language proficiency, and creativity and innovation. Each of these domains is represented by specific skills.

The skills within the threshold competencies are categorized into three sets: decision management, self-awareness, and professional responsibility. In contrast, the distinguishing competencies consist of critical thinking, political skills, and self-discipline (Kelly et al., 2010). The task requirements include problem-solving, personal ethics, and leadership. The

communication and language proficiency domain primarily focuses on English language skills, formal communication, and oral communication. Lastly, the component of creativity and innovation comprises two elements: creative thinking and implementing innovation.





Past research has investigated the importance of the competency elements toward employability (Jackson, 2010; Jackson & Chapman 2012; Radwan, 2014). However, less research has been focused on the task requirement, threshold, and distinguishing competencies concerning employability. The domain of communication and language proficiency competency will be English language, formal communication, and written communication (Cheong et al., 2016; Ting et al., 2017). The lack of communication and English language proficiency skills has always been considered the reason for graduates' unemployment (Ting et al., 2012). Finally, creativity and innovation include elements such as thinking creatively, working creatively with others, and implementing innovation.

Employers' expectations about required competencies are higher than the graduates', particularly in problem-solving, English language proficiency and communication, and leadership (Singh & Singh, 2008). Therefore, graduates should understand the employers' requirements and develop skills before they enter the job market because Malaysia is actively cultivating a knowledge economy where jobs require independent and self-motivated workers (Cheong et al., 2018; Bee & Hie 2015). However, there are contradicting findings regarding the competencies. The outcome is not always aligned with different research in different regions and

countries, however there is a common interest among all employers regarding employability (Freire-Seoane et al., 2019).

Thus, this requires more studies to answer the question of which elements in the competency skills domain are more needed and relevant to determine employability. Moreover, there are limited studies that investigated the five competencies simultaneously. This study emulates the stance taken in past studies (Nakano et al., 2018; Jayasingam et al., 2016; Jackson & Chapman, 2012; Radwan, 2014; Cheong, 2016) leading to the adoption of the five competency skills domains in the context of Malaysia. Hence, as shown in Figure 1.3, a total of 14 competency skills spread across five domains related to employability are presented.

The conceptual framework indicated in Figure 1.1 serves as the guideline to identify the dependent and independent variables of this study. The domains of competency skills, namely, threshold competencies, distinguishing competencies, task requirements, communication and language proficiency, and creativity and innovation, are regarded as independent variables of this study. Specific skills represent each of these domains.

Threshold competencies are divided into three sets of skills – decision management, selfawareness, and professional responsibility while distinguishing competencies presented by critical thinking, political skills, and self-discipline. Task requirements include problem-solving, personal ethics, and leadership. The communication and language proficiency focus mainly on English language, formal communication, and oral communication. The components of creativity and innovation include three elements, which are to think creatively, work creatively, and innovation implementation.

CONCLUSION

In brief, the present study outlines a conceptual framework employed to develop a framework for Malaysian graduates' competencies. The development of such a framework will establish a shared language among stakeholders with respect to the standards of performance expected of all graduates, specifically in the context of Malaysia. Based on the proposed framework, continuous expansion of knowledge is vital to develop the discipline and to differentiate the breadth and depth of professionals' work (Dorst, 2008; Valencia et al., 2013). The findings of this study have straight and significant practical implications for curricula which are instantaneously voiced in the proposed conceptual framework. This framework can broadly be adapted to guide university education in the design of academic programs that need to incorporate a balance of skills and personal qualities to accommodate the current and future job market requirements.

REFERENCES

- Ahmed Waham, M., & Lestari, F. (2019). The integration of supply chain coordination in higher education supply chain framework. *International Business Education Journal*, 12, 53–61. https://doi.org/10.37134/ibej.vol12.5.2019
- Ashton, D. N., & Green, F. (1996). Education, training and the global economy. Cheltenham: Edward Elgar.

Azevedo, A., Apfelthaler, G., & Hurst, D. (2012). Competency development in business

graduates: An industry-driven approach for examining the alignment of undergraduate business education with industry requirements. *The International Journal of Management Education*, 10(1), 12-28.

- Azmi, A., Nur' Hidayah Che Ahmad, K. K., Abdullah, D., & Zubir, H. A. (2018). Industry 4.0: Teaching preferences, perceptions, and challenges among tourism and hospitality academicians. *Journal of Academic Research in Business and Social Sciences*, 8(15), 350-365.
- Azmi, I. A. G., Hashim, R. C., & Yusoff, Y. M. (2018). The employability skills of Malaysian university students. *International Journal of Modern Trends in Social Sciences*, 1(3), 1-14.
- Baqutayan, S. M. S., Bizanjo, M. G., Raof, N. A. A., & Kadir, Z. A. (2019). Fostering graduate employability in the Malaysian bonding industry and academia with a proper monitoring system. *Journal of Science, Technology, and Innovation Policy*, 5(1), 1-13.
- Barth, M., Godeman, J., Rieckmann, M., & Stoltenberg, U. (2007). Developing key competences for sustainable development in higher education. *International Journal of Sustainability in Higher Education*, 8(4), 416–430.
- Bethell-Fox, C. (1997). Seleccio´n y contratacio´n basadas en competencias. In M. M. Dalziel, J. C. Cubeiro, & G. Ferna´ndez (Eds.), Las competencias. Clave Para una gestio´n integrada de los recursos humanos. Bilbao: Deusto.
- Biesma, R. G., Pavlova, M., Van Merode, G. G., & Groot, W. (2007). Using conjoint analysis to estimate employers' preferences for key competencies of master level Dutch graduates entering the public health field. *Economics of Education Review*, *26*(3), 375-386.
- Bee, O. K., & Hie, T. S. (2015). Employers' emphasis on technical skills and soft skills in job advertisements. *The English Teacher*, 44(1), 1-12.
- Boyatzis, R. E. (2008). Competency skills in the 21st century. Journal of management development, 27(1), 5-12.
- Cheong, K. C., Hill, C., Leong, Y. C., & Zhang, C. (2016). Employment as a journey or a destination? Interpreting graduates' and employers' perceptions–a Malaysia case study. *Studies in Higher Education*, 43(4), 702-718.
- Cheong, K. C., Hill, C., Leong, Y. C., & Zhang, C. (2018). Employment as a journey or a destination? Interpreting graduates' and employers' perceptions–a Malaysia case study. *Studies in Higher Education*, 43(4), 702-718.
- Craps, S., Pinxten, M., Knipprath, H., & Langie, G. (2022). Different Roles and Demands. A competency-based professional roles model for early career engineers validated in industry and higher education. *European Journal of Engineering Education* 47(1), 144-163.
- Cruz, M. L., Saunders-Smits, G. N., Groen, P. (2020). Evaluation of competency methods in engineering education: A systematic review. *European Journal of Engineering*

ISSN 1985 2126

Education 45(5), 729-757

- Erol, S., Jäger, A., Hold, P., Ott, K., Sihn, W. (2016). Tangible industry 4.0: A scenario-based approach to learning for the future of production. *Procedia CIRP*, *54*, 13–18
- Freire-Seoane, M. J., Pais-Montes, C., & Lopez-Bermúdez, B. (2019). Grade point average vs competency skills: which are most influential for employability?. *Higher Education, Skills and Work-Based Learning*.
- Hosain, M. S., Mustafi, M. A. A., & Parvin, T. (2021). Factors affecting the employability of private university graduates: an exploratory study on Bangladeshi employers. *PSU Research Review*, (ahead-of-print).
- Husain, M. Y., Mokhtar, S. B., Ahmad, A. A., & Mustapha, R. (2010). Importance of employability skills from employers' perspective. *Procedia-Social and Behavioral Sciences*, 7, 430-438.
- Jackson, D. (2010). An international profile of industry-relevant competencies and skill gaps in modern graduates. *International Journal of Management Education*, 8(3), 29-58.
- Jackson, D. A. (2011). *Profiling Industry-required Non-technical Competency skills in University Business Graduates* (Doctoral dissertation, University of Western Australia).
- Jackson, D., & Chapman, E. (2012). Empirically derived competency profiles for Australian business graduates and their implications for industry and business schools. *The International Journal of Management Education*, 10(2), 112-128.
- Khan, N., Khan, S., Tan, B. C., & Loon, C. H. (2021, February). Driving digital competency model towards IR 4.0 in Malaysia. In *Journal of Physics: Conference Series* (Vol. 1793, No. 1, p. 012049). IOP Publishing.
- Kannan, K. S. P. and Garad, A. (2020). Competencies of quality professionals in the era of Industry 4.0: A case study of electronics manufacturers in Malaysia. *International Journal* of Quality and Reliability Management.
- Kelly, E., O'Connell, P. J., & Smyth, E. (2010). The economics returns to field of study and competencies among higher education graduates in Ireland. *Economics of Education Review*, 29(4), 650–657.
- Kiong-Hock, L. (1986). Affective, cognitive and vocational skills: The employers' perspective. *Economics of Education Review*, 5(4), 395–401.
- Le'vy-Leboyer, C. (1992). La gestion des co'mpetences. Paris: Les e'ditionsd'Organisation
- Mason, G., Williams, G., Cranmer, S., & Guile, D. (2003). How much does higher education enhance the employability of graduates. Bristol: Higher Education Funding Council for England.

- Malec, L., & Kiráľová, A. (2018). Evaluating competencies of graduates in tourism as a prerequisite for future employability. *Prague Economic Papers*, 2018(2), 196-214.
- Mokhtar, S. A., Arifin, N. A. M., Rosman, M. R. M., Abdullah, N., Fadzil, F. H., & Isa, A. M. (2022, September). Graduates' Competencies and Employability: A Conceptual Framework. In *Proceedings* (Vol. 82, No. 1, p. 54). MDPI.
- Nadarajah, J. (2021). Measuring the gap in employability skills among Malaysian graduates. *Sciences*, 4(15), 81-87
- Nagata, H. (2010). Exploring the competency of academic library staff engaged in emerging services. Kurbanoğlu S., Al U., Lepon Erdoğan P., Tonta Y., Uçak N (Eds), *Technological Convergence and Social Networks in Information Management* International Symposium on Information Management in a Changing World (pp.78-84). Springer-Verlag Berlin Heidelberg
- Nakano, T. D. C., & Wechsler, S. M. (2018). Creativity and innovation: Skills for the 21st Century. *Estudos de Psicologia (Campinas)*, *35*(3), 237-246.
- OECD. (2008). Tertiary education for the knowledge society. Paris: OECD Press.
- Owenvbiugie, R. O., & Egbri, J. N. (2020). Unemployment in Nigeria: Can need for power improve the scourge? *International Business Education Journal*, 13, 43–50. https://doi.org/10.37134/ibej.vol13.sp.4.2020
- Radwan, D. M. (2014). *Education for employment: Omani graduates' perspective toward the 'work readiness' competency skills needed in the labour market* (Doctoral dissertation, The British University in Dubai (BUiD).
- Stasz, C. (2001). Assessing skills for work: Two perspectives. *Oxford Economic Papers*, 53(3), 385–405.
- Strauss, R. P., & Sawyer, E. A. (1986). Some new evidence on teacher and student competencies. *Economics of Education Review*, *5*(1), 41–48.
- Rosman, M. R. M., Baharuddin, N. S., Alimin, N. A., Rosli, N. N. I. N., Shukry, A. I. M., & Razlan, N. M. (2022, September). Bring-your-own-device (BYOD) and productivity: A conceptual framework. In Proceedings (Vol. 82, No. 1, p. 10). MDPI.
- Sima, V., Gheorghe, I. G., Subić, J., & Nancu, D. (2020). Influences of industry 4.0 revolution on human capital development and consumer behaviour: A systematic review. Sustainability, 12(10), 4035.
- Jayasingam, S., Fujiwara, Y., & Thurasamy, R. (2018). 'I am competent so I can be choosy': choosiness and its implication on graduate employability. *Studies in Higher Education*, 43(7), 1119-1134.
- Singh, G. K. G., & Singh, S. K. G. (2008). Malaysian graduates' employability skills. UNITAR *e-Journal*, 4(1), 15-45.

Spencer, L & Spencer, S. (1993). Competence at work. New York: Wiley

- Ting, S. H., Marzuki, E., Chuah, K. M., Misieng, J., & Jerome, C. (2017). Employers'views on importance of english proficiency and communication skill for employability in malaysia. *Indonesian Journal of Applied Linguistics*, 7(2), 315-327.
- Ting, Shirley Ken Tzu, and Cheah Yeh Ying. (2012). Business graduates' competency skills in the eyes of employers: An exploratory study in Malaysia. *World Review of Business Research*, 2(2), 176-190.
- Teijeiro, M., Rungo, P., & Freire, M. J. (2013). Graduate competencies and employability: The impact of matching firms' needs and personal attainments. *Economics of Education Review*, 34, 286-295.