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# Enhancing Graduate Employability Through Soft-Skill Practice In University Malaysia Terengganu

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## Abstract

**Research Aim**: This study explores the relationship between leadership, communication, interpersonal, and ethics on the employability of graduates from Universiti Malaysia Terengganu (UMT).

**Method**: This research applied a quantitative method with 260 respondents from UMT alumni. Data were collected through closed-ended questionnaires and analyzed using the Statistical Package for Social Science (SPSS). Multiple regression analysis was conducted to test the hypotheses.

**Research Finding**: The results indicate that communication skills and ethics significantly affect the employability of UMT graduates, whereas leadership and interpersonal skills show no significant relationship. Ethics emerged as the most influential variable, with a beta coefficient of 0.826.

**Theoretical Contribution/Originality**: This study highlights the importance of soft skills, particularly ethics and communication, in enhancing the employability of UMT graduates. It supports the literature that technical skills alone are insufficient to determine employability; they must be combined with soft skills.

**Practitioner/Policy Implication**: The findings suggest educational policy implications, where universities should focus on developing students' soft skills, particularly ethics and communication, to improve graduate employability. Leadership and interpersonal skills development programs could also be enhanced.

**Research Limitation**: This study is limited to UMT alumni and utilizes only quantitative data. Future research should involve other universities and consider qualitative approaches to gain deeper insights into other factors influencing employability.

## Abstrak

**Tujuan Penelitian**: Penelitian ini bertujuan untuk mengeksplorasi hubungan antara keterampilan kepemimpinan, komunikasi, keterampilan interpersonal, dan etika terhadap employability (kesiapan kerja) lulusan Universiti Malaysia Terengganu (UMT).

**Metode**: Penelitian ini menggunakan metode kuantitatif dengan 260 responden alumni UMT. Data dikumpulkan melalui kuesioner tertutup dan dianalisis menggunakan Statistical Package for Social Science (SPSS). Analisis regresi berganda dilakukan untuk menguji hipotesis.

**Temuan**: Hasil penelitian menunjukkan bahwa keterampilan komunikasi dan etika memiliki hubungan signifikan terhadap employability lulusan UMT, sedangkan keterampilan kepemimpinan dan interpersonal tidak menunjukkan hubungan yang signifikan. Etika menjadi variabel yang paling berpengaruh dengan koefisien beta sebesar 0,826.

**Kontribusi Teoritis**: Penelitian ini menegaskan pentingnya keterampilan lunak, terutama etika dan komunikasi, dalam meningkatkan kesiapan kerja lulusan UMT. Hal ini mendukung literatur yang menyatakan bahwa keterampilan teknis bukanlah satu-satunya faktor penentu employability, melainkan harus dikombinasikan dengan keterampilan lunak.

**Implikasi Praktis**: Hasil penelitian ini memberikan implikasi bagi kebijakan pendidikan, di mana universitas perlu fokus pada pengembangan keterampilan lunak mahasiswa, terutama etika dan komunikasi, untuk meningkatkan kesiapan kerja lulusan. Program pengembangan keterampilan kepemimpinan dan interpersonal juga dapat ditingkatkan.

**Keterbatasan Penelitian**: Penelitian ini terbatas pada alumni UMT dan menggunakan data kuantitatif saja. Studi masa depan disarankan untuk melibatkan universitas lain dan mempertimbangkan pendekatan kualitatif untuk memperoleh wawasan lebih mendalam mengenai faktor-faktor lain yang mempengaruhi employability.

## Introduction

Malaysia is known as one of the critical countries that face the issue of employability among graduates. This research paper focused on employability skills and attributes of the workforce that have become an issue across the nation and among University Malaysia Terengganu (UMT) students. The result of graduate employability for University Malaysia Terengganu showed UMT is the lowest among the universities in Malaysia in terms of graduate employability after a six-month convocation. Hence, Malaysian employers are searching for balanced graduates with good academic achievement and who possess 'soft skills' such as communication, problem-solving, interpersonal, and flexibility (Nurita, Shaharudin & Ainon, 2004). The results of this study are expected to contribute significantly to the need to improve soft skills in UMT graduates so that they will increase their readiness to enter the world of work. From this description, the objectives of this study include:

RO1:    To study the effectiveness of leadership in soft skill factors toward the graduate employability

RO2: To study the effectiveness of communications skills in soft skill factors toward the graduate employability

RO3:    To study the effectiveness of interpersonal skills in soft skill factors toward the graduate employability

RO4:    To study the effectiveness of ethics in soft skill factors toward the graduate employability

## Literature Review

In 2009, the Minister of Higher Education of Malaysia mentioned that 24% of Malaysian students after graduation remained unemployed. Additionally, the major concern reflected by many graduates is the right combination of skills and personal attributes that employers, such as excellent academic qualifications, require. Also, employability is not the same as gaining a graduate job. However, it implies something about the capacity of the graduate to function in a job and be able to move between jobs, thus remaining employable throughout their life. Based on a previous study, the researchers found employers are more concerned with soft skills or attitudes rather than technical knowledge or competencies. Other studies have also proved that soft skills such as leadership, communication, team building, and entrepreneurial interest have become critical for hiring and promoting employees to key positions (Audibert and Jones, 2002).

Furthermore, as Nurita et al. (2004) pointed out in their studies, employers, universities, professional bodies, and government bodies agree that Malaysia needs to develop highly skilled professionals ready to face the challenges of its competitors. So, fresh graduates are important targets who must understand their role in their organizations and have the practical skills to work effectively in their roles.

Additionally, Nurita et al. (2004) also explained universities want to produce graduates with skills that are highly regarded by employers and are seen to contribute to the country's prosperity and social capital. Thus, emerging professionals also want to attain interesting employment and build student careers. Therefore, this will give a tough challenge and action from the universities to build strong soft skills among the students.

The Malaysian Government surveyed Malaysian graduates and discovered that about 60,000 Malaysian Graduates were unemployed due to a lack of experience, poor English language, poor communication skills, and because they had pursued studies irrelevant to the marketplace (Malaysian Today, 2005). A gap exists between the students' and employers' perceptions of the nature of soft skills relevant to employability skills. Some students believe their strong results will help them find a better job for their future and seek to recruit individuals who possess the results of their university studies. However, employers appoint recruits with good soft skills and a repertoire of relevant soft skills.

**First degree graduates unemployment rate according to IPTA in Malaysia, 2006 -2010 (percent)**

| IPTA | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|---|---|---|---|---|
| UM | 41.5 | 26.0 | 28.6 | 28.6 | 31.7 |
| UKM | 49.6 | 37.4 | 33.0 | 32.6 | 29.9 |
| UPM | 30.4 | 26.5 | 15.9 | 23.7 | 20.3 |
| UIAM | 31.7 | 22.0 | 18.2 | 22.3 | 23.7 |
| UiTM | 33.4 | 26.2 | 21.3 | 27.0 | 24.6 |
| USM | 34.7 | 25.6 | 23.7 | 24.8 | 25.3 |
| UTM | 22.1 | 28.9 | 19.6 | 23.0 | 20.6 |
| UUM | 52.1 | 38.3 | 29.5 | 35.1 | 32.6 |
| UNIMAS | 55.2 | 53.0 | 43.3 | 41.2 | 40.9 |
| UMS | 58.3 | 54.0 | 51.7 | 44.4 | 40.9 |
| UPSI | 1.6 | 3.2 | 3.4 | 3.9 | 4.9 |
| UTHM | 31.9 | 27.7 | 31.9 | 37.1 | 27.2 |
| UMT | 60.2 | 51.5 | 64.1 | 50.9 | 49.9 |
| UTeM | 49.4 | 45.8 | 33.5 | 29.2 | 35.8 |
| USIM | 56.2 | 45.8 | 32.2 | 58.6 | 48.0 |
| UMP | 31.7 | 16.8 | 19.6 | 36.4 | 33.6 |
| UniMAP | 67.9 | 55.7 | 44.7 | 49.9 | 54.9 |
| UnisZA | | | | 64.0 | 58.6 |
| MALAYSIA | 37.3 | 30.3 | 26.2 | 29.1 | 27.6 |

*Source*: Malaysia (2011b). IPT Graduates tracer study, Ministry of Higher Education of Malaysia.

**Figure 1. First Degree Graduates Unemployment Rate According to IPTA in Malaysia**

Figure 1 shows the unemployment rate of first-degree universities in Malaysia. The figures show that the average unemployment rate for UMT students each year is high, whereas the unemployment rate of UMT new graduates in 2008 was 64.1 percent. The percentage of UMT graduates unemployed is the highest compared with other IPTAs. This shows that the employability of graduates at UMT is low.

**Hypothesis**

H1: There is a significant relationship between leadership skills and graduate employability

H2: There is a significant relationship between communication skills and graduate employability

H3: There is a significant relationship between ethics and graduate employability

H4: There is a significant relationship between interpersonal skills and graduate employability

## 2. Method

This research is a causality quantitative research. This study used the average enrolment of 260 to represent the UMT alum population. The UMT alum student population included unemployed and full-time study 3200. This research uses two questionnaire protocols as the data collection instrument, and one questionnaire protocol was designed for UMT alum students. Each instrument included closed-ended questions. All data collection from UMT alum students occurred during non-academic hours from Sunday to Thursday, before the resumption of the new academic year. Researchers identify connections and understand perceived and new concepts about the problem they are investigating during the data analysis. Data analysis in quantitative research used SPSS. Budiyono (2006) stated that more than 1000 samples can be collected from 320 sample respondents.

## 3. Results and Discussion

Table 1: Test of Normality

| Variable | Skewness | | Kurtosis | | Z | Z |
| --- | --- | --- | --- | --- | --- | --- |
| | Statistic | Std. Error | Statistic | Std. Error | Skewness | Kurtosis |
| Communication Skill | -.047 | .151 | -.443 | .301 | -0.308 | -1.473 |
| Interpersonal Skill | -.265 | .151 | -.112 | .301 | -1.755 | -0.372 |
| Ethical | -.189 | .151 | -.308 | .301 | -1.248 | -1.024 |
| Leadership | -.531 | .151 | -.195 | .301 | -3.519 | -0.647 |
| Graduate Employability | -.151 | .151 | -.464 | .301 | -1.000 | -1.542 |

Table 1 gives SPSS output for skewness and kurtosis tests from a sample of test scores. Skewness and kurtosis are both negative, indicating that the data are slightly left-skewed and peaked (leptokurtic) compared to a normal distribution. Applying the rule of thumb of dividing each value by its standard error (Std. Error), the standard error for all independent variables is the same, which results in 0.301.

The graduate employability for the skewness test result is -1.000, and the kurtosis test is -1.542. The communication skill skewness test result is -0.308, and the kurtosis test is -1.473. Besides that, the

interpersonal skill for skewness is -1.755, and the kurtosis test is -0.372. Furthermore, the ethical for the skewness test result is –1.284, and the kurtosis test is -1.024. These skewness and kurtosis tests assess graduate employability, communication skills, interpersonal skills, and ethics. All these variables' results are below ±1.96, where the data are normal concerning that statistic.

Lastly, the leadership skewness test result is -3.519, and the kurtosis test result is -0.647. The skewness result for leadership is larger than ±1.96, which shows that the data are not normal with respect to that statistic. The results for all variables are negative, which indicates that the data are slightly left-skewed and peaked (leptokurtic) compared to a normal distribution.

Table 2. Reliability Statistics

| Variable | Cronbach's Alpha | N of Items |
|---|---|---|
| Communication Skill | .856 | 10 |
| Interpersonal Skill | .793 | 12 |
| Ethical | .762 | 9 |
| Leadership | .688 | 6 |
| Graduate Employability | .733 | 11 |

Table 2 shows the reliability test statistic for the relationship between graduates' employability and skills in UMT alum students; These skills include leadership, communication, ethics, interpersonal communication skills, and graduate employability. All items in the section level of employability graduates are significant; the result is 0.733, which contains 11 items. The table shows significant values for communication skills, and the result is 0.856, which includes ten items. Furthermore, there is a substantial value between interpersonal skills and graduate employability, with a value of 0.793 and contains 12 items. Besides that, ethics also had a significant value of 0.762, containing nine items. This shows that there is a relationship between employability graduates and ethics. Lastly, leadership skills show no considerable value; the result is 0.688, which contains six items. This indicates that the consequence for leadership skills is below 0.7, which means there is no relationship between graduate employability and leadership skills.

Table 3. Summary

| Regression Model | |
|---|---|
| R | .946[a] |
| R Square | .895 |
| Adjusted R Square | .893 |
| Std. Error of the Estimate | .12374 |
| Durbin-Watson | 1.790 |

a. Predictors: (Constant), Leadership, Ethical, Communication Skills, Interpersonal Skills

b. Dependent Variable: Employability Graduate

Table 3 shows the variance explained in this study. 89.5 percent of DV can be said by IV. Graduate employability is the dependent variable, and communication skills, interpersonal skills, ethics, and leadership are the independent variables. The R-square is 0.895. If 1 - 0.895 is equal to 0.105, it has not been included in this study.

Table 4. Good Fitness Model

| Regression Model | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 33.307 | 4 | 8.327 | 543.851 | .000[b] |
| Residual | 3.904 | 255 | .015 | | |
| Total | 37.211 | 259 | | | |

a. Dependent Variable: Employability Graduate

b. Predictors: (Constant), Leadership, Ethical, Communication Skills, Interpersonal Skills

Table 4 shows the test for the good fitness model. The f test is 543.851, and Sig. 0.000 ($p<0.01$) indicates the model is fitted.

Table 5. Hypothesis Testing

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) | .191 | .096 | | 1.993 | .047 |
| Communication Skill | .150 | .022 | .170 | 6.929 | .000 |
| Interpersonal Skill | .047 | .027 | .050 | 1.767 | .078 |
| Ethical | .826 | .025 | .906 | 32.480 | .000 |
| Leadership | .005 | .019 | .006 | .263 | .793 |

Table 5 shows the specified multiple regression models in a single regression command, showing the number of reported models. Regression coefficients represent the mean change in the response variable for one unit of change in the predictor variable while holding other predictors in the model constant and using partial coefficient regression by beta value in the regression model. We found that leadership and interpersonal skills have no significant relationship with graduate employability. Meanwhile, Communication Skills and Ethics have a substantial relationship with graduate employability.

The variable that greatly contributes to influencing graduate employability is ethics, where the beta coefficient is as high as .826, t stat = 32.480, and the p-value is 0.000 (sig.at the level 1% and confidence interval 99 percent). This means that if the variable ethics increases by 1 percent, it increases graduate employability by 82.6 percent.

Table 6. Multicollinearity

| Variable | | Communication Skill | Interpersonal Skill | Ethical | Leadership |
|---|---|---|---|---|---|
| Communication Skill | Pearson Correlation | 1 | .351** | .342** | .508** |
| | Sig. (2-tailed) | | .000 | .000 | .000 |
| | N | 260 | 260 | 260 | 260 |
| Interpersonal Skill | Pearson Correlation | .351** | 1 | .677** | .280** |
| | Sig. (2-tailed) | .000 | | .000 | .000 |
| | N | 260 | 260 | 260 | 260 |
| Ethical | Pearson Correlation | .342** | .677** | 1 | .257** |
| | Sig. (2-tailed) | .000 | .000 | | .000 |
| | N | 260 | 260 | 260 | 260 |
| Leadership | Pearson Correlation | .508** | .280** | .257** | 1 |
| | Sig. (2-tailed) | .000 | .000 | .000 | |
| | N | 260 | 260 | 260 | 260 |

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

Multicollinearity issues exist in the multiple regression analysis when there is a perfect linear correlation among independent variables used. It aims to investigate whether there is no problem multidimensional or unidimensional problem in the determination variable used in the study. (Gujarati, 2004). Table 6 displays the correlation among the variables used. Following the threshold should be required to conclude in the model free from symptom multicollinearity, then the r coefficient can be used, i.e., the value of r should be less than and equal to 0.85 (Hair, 2009). Thus, from the output displays, it can be concluded that a multicollinearity problem exists in this study.

**Leadership skills and graduate employability**

The study found that leadership skills, while beneficial in many contexts, do not significantly influence the overall job readiness of graduates. This suggests that other factors may be more critical in preparing students for the workforce. The research emphasizes that technical skills, problem-solving abilities, and practical experience may be more decisive in determining job readiness than leadership

capabilities alone. Graduates may require a more comprehensive skill set that includes but is not limited to leadership. [1]. For leadership skills, the university should provide programs that improve students' leadership skills, such as a self-esteem camp, where students from this program can work in a group and create and lead a team to achieve goals. While leaders must be able to act quickly in rapidly changing situations, they also have to be mindful of situations that arise over time. Great leaders see developing patterns, prepare for all eventualities, and respond appropriately. The leader's work isn't always making the immediate decision; it's laying the groundwork for making the right call when things turn either for or against the organization.

**Communication skills and graduate employability**

Strong communication skills are essential for conveying information clearly and effectively, critical for collaboration and teamwork in any professional setting. Employers often prioritize candidates who demonstrate effective communication abilities in job postings. [2]. Besides that, to improve communication skills, all lecturer should communicate with their students in two-way communication. Attractive communication can enhance their communication skill, and there is self-confidence when students communicate. Listening, understanding, and speaking is an essential core skill. While the popular concept of a leader is somebody who can bark out orders at a moment's notice (think of any ship commander in a movie), the ability to carefully listen to what is being said, discern what is essential and not essential to the problem at hand and communicate the next step are key attributes of communication skill. Lecturers are models for forming the character and ethics of students. In this case, the lecturer should be a good example to the students, for instance, always punctual, disciplined, and comply with all rules. Behavior and good conversation with the students will form a student into an ethical student.

**Ethics and graduate employability**

Graduates with strong ethical frameworks are better prepared to navigate complex workplace situations. This ability fosters trust and reliability, which are critical in professional settings. The study emphasizes that ethical training can improve decision-making skills, allowing graduates to handle dilemmas effectively [3]. Ethical behavior contributes to a positive workplace culture, crucial for collaboration and teamwork. Graduates who understand and practice ethical principles tend to integrate more smoothly into organizational environments, enhancing their adaptability and performance.

**Interpersonal skill and graduate employability**

Effective communication is a critical component of interpersonal skills. Students who excel in these areas are better equipped to work in teams and engage in collaborative tasks, which is essential in

many job environments. The ability to interact positively with others enhances individual performance and contributes to overall team success. [4]. For interpersonal skills, universities should provide a program that can increase the soft skills among students. The program should contain thinking skills such as logical and analytical reasoning, problem-solving, and intellectual curiosity; effective communication skills, teamwork skills, and capacities to identify, access, and manage knowledge and information; personal attributes such as imagination, creativity, and intellectual rigor; and values such as ethical practice, persistence, integrity, and tolerance. This diverse collection of qualities and capacities is distinguished from the discipline-specific knowledge and technical skills traditionally associated with higher education.

## 4. Conclusion

To enhance the employability of graduates in UMT, the university must play an important role in forming soft skills among students, such as leadership, communication skills, ethics, and interpersonal skills. The conclusion is that leadership skills and employability graduates have a significant relationship. Where leadership skills can handle and manage any situation that leads to company objectives. Besides that, there is an important relationship between communication skills and employability because good communication can improve the effectiveness of information delivery. There is a significant relationship between ethics and employability graduates. This is because many parties will appreciate good ethics, and it can enhance cooperation between the two sides. Furthermore, there is a significant relationship between interpersonal skills and employability graduates. These four variables will achieve the soft skills where employability graduates can be increased.

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