DO WE NEED A PROPER MONITORING SYSTEM THAT BOND INDUSTRY AND ACADEMIA? PREPARING FOR BETTER EMPLOYABILITY IN MALAYSIA

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A B S T R A C T

The marriage between industry and academia is globally recognized as beneficial connection for both the parties. The role of university is more projected towards producing right human capital as per the demands of the industry. Whereas, this process is complete only with input of industry related to skill development and R&D activities performed by the universities. However, this dependency is prone to raise issues for both the entities if the relationship is not checked and balanced from time to time through a proper monitoring system. This has direct ramifications on unemployment rate in general and youth/graduate unemployment rate in particular. This research identifies the current practices of university-industry relationship in Malaysian perspective and its effects on youth employability in the country. The National Graduate Employability Blueprint Malaysia 2012-2017 is reviewed in the context of determining loopholes in maintaining the desired relationship between industry and academia. The factor of "monitoring the link between industry and academia" is found most glaring lacunae in the

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consistency of the bondage between the two parties, and hence resulting in high graduate unemployment rate in the country. Moreover, a review framework of Graduate Employability Framework Malaysia 2012-2017 is proposed to minimize the rift of knowledge transfer between industry and academia through an organized monitoring body. It cross-checks the workability between industry and academia on permanent basis. The findings from the literature have been found generously supportive to the instalment of a monitoring system on permanent basis. This measure is seemed most effective in reducing the rising youth unemployment rate in Malaysia.

INTRODUCTION

Today a knowledge-based economy is the benchmark of development of any prosperous nation. Whereas, such an economy is a product of the relationship between industry and academia (Raver, 2012). The direct implications of economy and industry-academia nexus fall on graduate employability because the demand of professionalism and expertise from the human resource are higher than ever before (Aithal, 2018). Therefore, it is indispensable to establish a solid link between higher education institutes and industries to foster employability as well as knowledge-based economy in a nation to remain competitive in the international business environment.

Indeed, the academia and industry are two separate worlds within themselves. Yet they are not dichotomous in terms of grooming the graduates and then building the industries relying on them. The graduates are the common and basic building blocks of both academia and industry (as practitioners). Therefore, their journey from higher learning institutes to a company should be based on procedures to ensure that industry expectations are met without compromising on academic aspirations (Bartunek & Rynes, 2014).

The economic progress of developing countries like Malaysia are directly related to the rate of unemployment in the country (Zulkifli, Omar, & Rajoo, 2016). However, the degree of unemployability among graduates vary according to the level of development of the country, yet

the issue is given huge significance for sustainable employability and strengthening knowledge-based economy around the globe (Aithal, 2018).

This paper provides an insightful review of The National Graduate Employability Blueprint 2012-2017, in the context of determining loopholes in maintaining the desired relationship between industry and academia. The element of "monitoring the link between Institutes of Higher Learning (IHL) and industry" is focused most, since it is realized as the main lacunae in making a successful working relationship between industry and academia. Hence, a review of Graduate Employability Framework 2012-2017 is proposed to minimize the rift between industry and academia through efficient monitoring of the bondage between the two entities to foster employment. Such a monitoring is promising to foster graduate employability in the country.

Malaysia's unemployment rate has reduced to 3.4% after three consecutive months of staying at 3.5% (MIDF Research, 2017). In the meantime, as of December 2017 it decreased even more to 3.3% and based on a year-on-year evaluation, the unemployment rate was 0.2% lower than December 2016 (Department of Statistics Malaysia, 2018). Regardless of a generally low unemployment rate, Malaysia is among regional economies with an issue of increasing graduate unemployment in double-digits estimated to have reached 10.7% in 2015, more than three times higher than the national graduate unemployment rate of 3.1% as stated by Dian and Mohd Zaidi (2016).

Youth labour force refers to those below the age of 25 and this category makes up about 17.8% of Malaysia's total labour force in 2016 (MIDF Research, 2017). Furthermore, it was also added that the graduates unemployed are more than half of the total unemployed with the graduate unemployment rate increased by 1.2 percentage points from an estimated of 9.5% to 10.7% (Dian & Mohd Zaidi, 2016). According to Department of Statistics Malaysia (2017), the total unemployed person was 504,100 in 2016. The claim that youth unemployment is high is then in accordance to the report by MIDF Research in 2017 where it was stated that the number of unemployed graduates has increased and reached to 273,400 persons in 2016.

A World Bank report released in 2014 found that 62% of Malaysian companies had difficulty in getting talent with the right skills, while 48% of firms found a lack of talent as a limitation on growth, in which the prime minister then called upon greater industry-academia collaboration during the Budget 2015 announcement (Chow, 2015). The gaps between industry and academia are evident in which industrial needs are not met with the graduates' skills. According to Dian & Mohd Zaidi (2016), findings from World Bank and TalentCorp survey clearly shows there is an awareness for collaboration efforts among the industry but there is in reality a very limited collaboration with the academia, for example: 90% of companies agree more practical training should be provided for graduates yet 50% of the companies have no structured internship programmes. Besides that, 80% of the industry feels that the university

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curricular is not reflective of the current realities but then 53% of them have never even worked with career centers. Moreover, 81% of companies rated communication skills as the main shortfall of graduates but less than 10% of the companies are actually involved in developing curricular or programmes with the universities.

When it comes to ensuring that the academia is producing graduates, with right skills as per the aspirations of the industry, then the significance of coordination between industry and academia is highlighted. But in order to keep this interaction uninterrupted and alive, there has to be a check that this link does not get interrupted. One of the four Action Plans proposed in GEB 2012-2017 is "Monitoring". Whereas, monitoring is contextualized in the following way in the Graduate Employability Roadmaps 1,2 and 3 of the statue document:

- Monitoring students' satisfaction within the programme of study.
- Validating high graduate take up rate (>80%).
- Validating low graduate dropout rate.
- Validating high Graduate Employability (GE) at exit of Institutes of Higher Learning (IHL).
- Monitoring and providing feedback on programme & knowledge collaboration & skill mismatch between IHL and Industry.
- Validate graduates' attributes at point of exit from IHL.
- Validate projected intake needs against the actual intake.
- Validate appropriateness of the delivery and assessment methods (e.g. Exit Survey, Employer Satisfaction Index, etc.).
- Staff performance (development or delivery) relating to GE metrics are measured and reported.
- IHL Graduate Employability Performance (KPI).
- IHL GE Performance reported to IHL.
- Meetings of Board of Directors.

It is observed that the focus of monitoring is mainly on the internal activities and responsibilities of academia in the above-mentioned strategic actions. However, there is also a tinge of emphasis on monitoring the link between industry and academia. This monitoring implies to be either in the form of designing a collaborative course of study to be aligned with the demands of industry, or to provide feedback on skill mismatch for graduate recruitment in the industry.

Despite the strategic planning about constant relationship between industry and academia in Graduate Employability Development Framework 2012-2017, (Ministry of Higher Education, 2012), the pragmatic link between industry and academia seems to be dwindling (Bank Negara Annual Report, 2017). As mentioned in the statistics above, the lack of monitoring is evident here in which, 10% companies have every participated with Institutes of Higher Learning (IHL) in developing curricula or programmes as the course of study for the graduates. Moreover, 53% firms have never worked with any career centre to

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augment career development aligned with the needs of job market. Half of the companies (50%) have no existing structured internship programmes to participate in skill development along with the Universities (Dian Hikmah & Mohd Zaidi, 2017).

These statistics verify that the bondage between industry and academia is very weak. Even though it is mentioned as an action plan in the GEB 2012-2017, but it is not visible on the pragmatic grounds. Therefore, the lacunae lie in the implementation. The purpose is not only to fulfil the career dreams of graduates but also to fulfil the requirements of the industry. Monitoring and evaluation are critical tools when it comes to implementation of outcome-based approach (Tam, 2013). If the link between industry and academia is well monitored for uninterrupted working relationship, then it can turn the tables around to achieve the desired graduate employment.

Currently in Malaysia, Implementation and Coordination Unit (ICU) is responsible for the monitoring of project implementation. However, there is no centralized and integrated monitoring system in the government machinery. All the ministries and agencies have their individual monitoring systems. Yet the problem lies in the difference between theory and practice to undertake proper monitoring actions in the individual monitoring systems. Generally, the monitoring activities are done in a manual manner. Therefore, a bulk of data remains outdated and inaccurate and results in performance setbacks (Tam, 2013). For regional efforts, according to Tam (2013), Malaysia has no legislation on centralized and integrated monitoring system; its semi-formalized evaluation policy is driven through administrative circulars from the Prime Minister's Office, the Ministry of Finance, and the Economic Planning Unit, Prime Minister's Department on certain programmers and projects especially for budgetary processes. The evaluations also serve as supportive information for any proposal for policy or programme adjustments through the Outcome-based Budgeting System (OBS). OBS system as part of the 10 Malaysia Plans 2011-2015, required annual formative evaluations to be carried out by every ministry on its programmers and activities.

The importance of assessing, monitoring and evaluating of the related policy has been extensively discussed in previous literature. Braun, Kanjee, Bettinger, & Kremer (2006) had stated that in most developing countries, there is an inappropriate education policy where the assessment policies (practices) focus primarily on examinations with little or no emphasis on classroom assessment or on monitoring and evaluation of the system. For example, in the case of South Africa that beforehand was lacking the monitoring evaluation of education system, after the implementation of outcomes-based education system by introducing new curriculum, fortunately it improved the teaching and learning environment (Braun et al., 2006). In Chile, the conduct of national assessments has been a consistent policy of the government for many decades. While countries such as Uganda and Vietnam have undertaken serious efforts to implement results-based approaches to their development policies resulted

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in producing tangible benefits and improving the quality of living. In Malaysia, study by Dian Hikmah & Mohd Zaidi (2017) concluded that, the gaps of the issue were identified in labour market statistics, particularly on job creation, labour turnover, and hiring trends. Thus, conscientious implementation, effective monitoring and active enhancements such as establishment the Malaysian Bureau of Labour Statistics are the keys to for the progress of human capital development and labour market policies, as it will facilitate responsive, evidence-based, and timely policy-making.

The dynamics of industry in the new millennium are prone to diversify in employers demands, working skills and job scope. Hence the significance of a monitoring is increased even more to be a permanent entity. So that it keeps track with changes taking place in industry which may require changes in IHL curricula. This will ensure effective actions are taken timely and when necessary. It is needed to record and eliminate every intermittence of relationship between industry and academia to ensure a continuous working relationship between the two entities. The link between industry and academia can only be a working relationship when there is proper monitoring for the sustainability of the very link.

REVIEW FRAMEWORK

The linkage between Institutes of Higher Learning (IHL) and industry in order to produce collaborated graduate development programmes for fostering graduate employment, is depicted in the Graduate Employability Development (GED) Framework given in the National Graduate Employability Blueprint 2012-2017 (Ministry of Higher Education, 2012). The framework of GED in the Graduate Employability Blueprint 2012-2017 displays a very clear bondage between industry and academia. This linkage is formed through the following three stages:

1. The first stage is building the content in the form of IHL graduate development programmes, in collaboration with industry and academia.
2. Based on these graduate development programmes, curriculum and co-curricular activities are proposed for the graduates.
3. When it comes to implementation, curriculum referrers to activities that bear credit hours to be taken by graduates in the IHLs. Whereas, co-curriculum activities are referred as industrial attachments to provide opportunities to the graduates for learning.

The second part of framework includes emphasis on monitoring and validation. This validation process mainly involves staff and students to play a role of assessing and monitoring the process, based on the requirements of the given framework. In the next stage, the validation process includes industries that shall provide feedback on the results towards meeting the requirements of job market. We observe that despite of a comprehensive strategic planning to marry the industry and academia for desired graduate employability in Malaysia, the results are not up to the mark. The framework is effective enough when it is implemented

holistically. However, we see through the survey given in Bank Negara Annual Report (2017), that the bondage between IHLs and industry does not exist to the required extent. Therefore, missing an important part of framework of Graduate Employability Development to be effective. The review framework in this paper, proposes that if there is a proper check applied on monitoring the link between industry and academia, then this relationship can be sustained to increase the efficaciousness of the framework of Graduate Employability Development. Hence, in this way it will result in decrease of graduate unemployment in the country. Following is the depiction of the review framework:

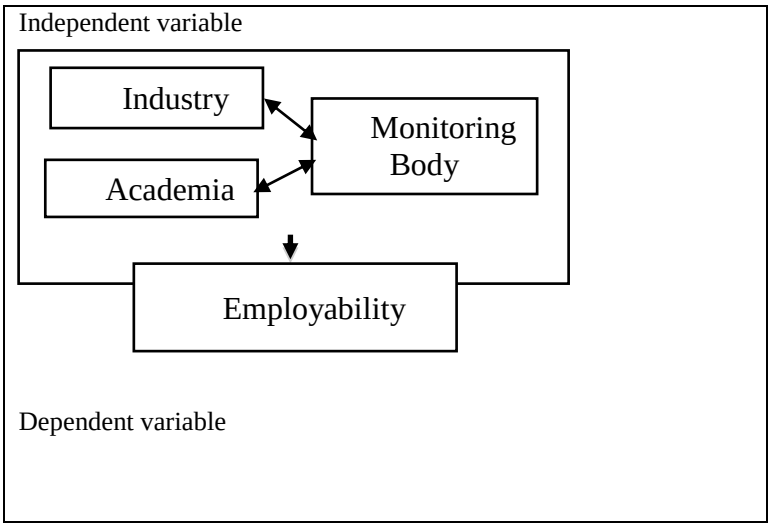

Figure: Review Framework of Graduate Employability Development

An introduction of Monitoring and Intermediary body to cross-check the collaboration of industry and academia can ensure collaborative outcomes especially in designing course of study or content design activities. Such a course of study (either curricular or co-curricular) included in the IHLs activities can be fruitful for the career dream of graduates as well as fulfilling the job requirement of industries. Because it will result in imparting education to graduates for skill development according to the needs of the industry. The main responsibility of the Intermediary and Monitoring body will be to verify that the course content of study has been approved with the joint consent of industry and academia. It will also serve to evaluate industrial participation in creating internship programmes and training programmes for graduates to develop required skills in the graduates as per the demands of the industry. This body will also serve as a medium of communication between industry and IHLs in terms of coding and decoding the exchangeable content of consideration in

an understandable format for both the organizations. In short, the lacunae in the implementation of Graduate Employability Framework can be eliminated by introducing a monitoring and intermediary body to ensure a working relationship between industry and academia. Consequently, the desired results of increased graduate employability will be produced as intended by the National Graduate Employability Blueprint 2012-2017.

ANALYSIS

In developed countries, the ultimate collaboration is in place to the extent that it is not a priority for government to intervene as there is already an established strong foundation of relationship between industries and universities. However, as for Malaysia, industries and universities linkage still have further to improve which then necessitates the role of government to get involved especially with the worrying rate of youth unemployment. It is also the obligatory role of the government to assist the collaboration links between industry and academia including categorizing the strengths of university to join forces with particular types of industries that suits both parties (Salleh & Omar, 2013). This can result in increased graduate employability when skills and curricular development is communicated between industries and universities.

A stronger relationship or linkage between the industry and academia can help to foster employment of graduates. To ensure the links are workable and being implemented, a monitoring body by the government appears fit to act as the organization that evaluates the collaboration thus providing measurements on its' successfulness of linkage. The close relationship that are already in place should be maintained and there should be a more vigorous encouragement for more industries to participate in partnership with universities. The monitoring body can also play a role in making sure that all cooperation is transparent without manipulation of any party.

To increase graduate employability, it is important to bridge the gaps between universities and industries in matching the supply and demand from both sides. A study concluded that for successful industries-universities interaction, there has to be involvement of both parties in the essential part of developing the curriculum by subjecting them to structures for monitoring and control (Hyder, 2015). This proves that the proposed framework of including monitoring and control to be applied on the two nexuses will indeed provide better and enhanced industries-universities relationship interaction thus increasing graduate chances to be employed. Besides that, to accentuate the significance of monitoring body in evaluating the relationship, even the World Bank's Governance Global Practice outlined their targets to assist governments in building the right infrastructure through integration of evaluation into the policy making process (Marcel, 2015). This recommended policy framework of including evaluation by the intermediary body will then fit to stimulate the precise

foundation of strong industries-universities interaction to increase graduate's employability. Apart from that, a comprehensive policy analysis takes into consideration all the aspects of policy implementation, monitoring, and evaluation (California State University Long Beach, 2018). It can be justified that the framework proposed is thorough and complete as it takes into account and deliberates all the necessary features by creating a monitoring and intermediary body to carry out all the indispensable process of achieving the objectives intended.

To ensure the effectiveness of collaboration is taking place between industry and academia, there has to be a planned management that keeps the link checked. There are ways to which a university can increase the success factors of collaboration through both strategic and tactical approaches; strategic examples being research consultancy, student internship and staff attachment while tactical examples being personnel, finance and facilities (Liew, Shahdan & Lim, 2012). They added that it is important to keep track of milestones and ensuring action plan includes monitoring and adjustments where necessary. While all these approaches are theoretical for successful collaboration, it only emphasizes more on the need of a higher authority body to make sure that implementation plans are always followed through by both universities and industries. Therefore, the proposed framework increase chances of successfulness in which the monitoring and intermediary body will take the role of keeping the alliance in check at all times by doing a thorough evaluation on all strategic and tactical approaches in place.

In addition, the monitoring body would have the authority to design an improved system of collaboration. For example, this can also be in the form of encouraging lecturers to work in industry as part-timers or vice versa. Besides a monitoring body, it is also noteworthy to mention that building good characters, skills, attitudes and personalities of students should also be highlighted for increasing employability chances. It is recommended that a further research consisting of more respondents from various industries and universities as well as perspectives from government and fresh graduates be taken for an improved outcome of study.

DISCUSSION & CONCLUSION

In conclusion, the literature review had highlighted loopholes in the recent Graduate Employability Blueprint (GEB) 2012-2017. The focus of monitoring in the blueprint is mainly on the internal activities and responsibilities of academia and neglecting monitoring the link between industry and academia. In fact, Malaysia's monitoring system has no centralized and integrated system, and it mainly focus on outcome-budget system. The significance of establishing the proper and functioning Intermediary and Monitoring body is that it can track changes taking place in industry which may require changes in IHL curricula, then effectively and timely action plan can be implemented to ensure a continuous working relationship of academia and industry.

The monitoring system shall be highly dependent on government, and practically functional in term of student ability, industry salary pay, providing guidelines and clear SOP for the collaboration. The monitoring system will be impactful to graduate employability if it has transparency between two entities and appointing many adjunct lecturers from industries.

The monitoring body shall be with cooperative value, standardize the capacity different between two entities, and include measurements or evaluation to define the success of the link. The monitoring system will be impactful to graduate employability if the syllabus matching to job scope of industries and students are well-equipped with right attitude for quality workforce. Thus, if the link between industry and academia is well monitored for uninterrupted working relationship, then it can turn the tables around to achieve the desired graduate employment.

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