Employers’ Perspectives on Skills Falling Short, HEIs’ Education System, and Graduates’ Attributes: A Proposed Framework

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Abstract
The purpose of this study is to determine what Malaysian employers think about the importance of employability skills falling short among engineers, the quality of education system at Higher Education Institutions (HEIs), and important graduates’ attributes from the perspectives of employers in Malaysia. By the time this study was conducted, a proposed theoretical framework was developed and has been designed to be used as a reference for future research. The employers’ perspectives (dependent variable), skills falling short, HEIs’ education system, and graduates’ attributes (independent variables) all influenced the development of this proposed theoretical framework. The results of this study offered important practical implication for industry, engineers, Malaysian HEIs’, and graduates to be successful with the implementation of new skills, development programmes, and attributes to be ready for future industrial demands. It is hoped that current and future researchers working on related studies would find this proposed theoretical framework to be a useful resource.
Keywords: Proposed Framework, Employers’ Perspectives, Skills Falling Short, Heis’ Education System, Graduates’ Attributes

Introduction
The concept of employability plays a central role in national and international labor market policies across the world (Belderbos, 2020). The idea of employability concept has gained attention the literature, drawing many scholars from all around the world (Hisa and Mohiddin, 2020). These days, equipping employees with the necessary knowledge and skills for their jobs requires substantial ongoing effort and investment (Naron and Seyhah, 2021). Employers seek for graduates who possess a wide range of abilities to lead their organizations and help them achieve a competitive advantage in the industry (Pazil and Razak, 2019).
According to Pazil and Razak (2019), it is no longer enough for graduates to have outstanding degrees and academic achievements, but employers now also expect them to have a well-developed employability skills. Modern global industry today, graduates with additional qualities are highly sought by potential employers (Heang et al. 2019). Naron and Seyyah (2019) emphasize that employers and the industry consistently demand knowledge and skills that align with specific company or industry needs, as well as those critical to company operations and growth.

Heang et al. (2019) stated, employers look for graduates who are work-ready, that can immediately begin contributing to their industry. According to Khoo et al. (2020), employability is the conceptualization of the abilities, skills, and personal attributes that the real-working world values and necessary to be able to secure relevant employment. On the other hand, employability skills are the skills needed to land and keep a job (Kenayathulla et al. 2019).

Individual employability became a key component in the European Employment Strategy 1997 to fight against youth and long-term unemployment (Winterton and Haworth, 2013). Employability skills have been applied at the local, regional, and national levels to increase competitiveness and encourage employment (Jagannathan and Geronimo, 2013; McQuaid and Lindsay, 2005; Organization for Economic Co-operation and Development, 2016). Stakeholders must work together to overcome the challenges posed by the current changes in the real-working world to ensure that future employment looks as promising as it can (Rodzalan et al. 2022).

Employers search for candidates who possess the unique skill set needed to perform a particular task in job (Kenayathulla et al. 2019). Therefore, this study intends to explore the following research questions: “What are the important employability skills that engineers falling short from the perspectives of E&E employers?”, “How the HEIs’ education system can meet the demand of E&E industry from the employers’ perspectives?”, and “What are the important graduates’ attributes required from the perspectives of E&E employers?”.

The main objective of this study is to identify the important employability skills that engineers falling short from the perspectives of E&E employers. Additionally, this study aims to investigate how the HEIs’ education system can meet the demand of E&E industry from the employers’ perspectives, and to determine the important graduates’ attributes required from the perspectives of E&E employers. Examining the long-term implications on student empowerment, the growth of engineer society, and the equality and quality of education at Malaysian HEIs may be helpful to be examined (Chan et al. 2018).

Industry’s requirements for engineering skills aligned with their organizational needs will help the industry to achieve future revolution with the implementation of new skills (Hasan and Adnan, 2019). At the same time, identifying the additional engineering skills needed to fulfil the demands of future revolution in job skills can aid in the development of technical competencies in graduates (Ismail and Hassan, 2019). The feedback from employers on Malaysian graduates’ employability skills can be used as a foundation for developing policies and strategies aimed at transforming HEIs. (Yaakob et al. 2018).
This study may be used as a beneficial guide for HEIs’ educators to create development programmes for the graduates to improve their skills before entering the real-working world (Chan et al. 2018). Additionally, the framework of this study may aid educators to determine the most effective and reliable components in producing graduates with employability skills demanded by the industry (Saim et al. 2021). The encouragement for cooperation between industry and HEIs, along with regular updates to guideline, can ensure that graduates’ skills remain relevant current industry demands (Tan et al. 2017) and help prepare graduates to be ready for future industry needs (Abbas and Sagsan, 2020).

The Ministry of Higher Education (MOHE) may also use this study to advance the education system at HEIs’ in accordance with the needs of the industry (Ali and Jack, 2019). Moreover, this study may be used to utilize the developmental efforts on important graduate attributes that will enhance their personal and professional growth (Steurer et al. 2023). The required attributes of this study might make graduates more employable, help them deal with uncertainty, and prepare them for what lies ahead (Gamage et al. 2023). Last but not least, graduates can make use of this study to assist them in indicating the skills and attributes they should seek and develop to improve their employability in the eyes of potential employers (Borg and Scott, 2020).

Problem Statements
According to Yusof and Jamaluddin (2015), graduate employability is currently the main emphasis of most labour market policies in many countries and the majority of manpower strategies. Graduate employability has been a hot topic of discussion among academicians, Ministry of Higher Education (MOHE) officials, students, and graduates in HEIs across various developing and advanced countries, including Malaysia (Sohaimi and Senasi, 2020). Winterton and Turner (2019) stated that employability is widely used in debate on graduates’ readiness to enter the real-working world, and has become the main concern of policymakers, HEIs, academics, employers, and graduates (Misni et al. 2020).

Engineering graduates will be working in an increasingly complex, fast changing, and uncertain world of unemployment (Ortiz et al. 2021), and the transition from graduation to professional life is often challenging, as graduates must experience numerous of challenges when they begin working (Anjum, 2020). Today, industries require precise indicator of the skills engineers need because those who possess skills that do not align with industry demands will not be hired if their abilities do not match the required skill set (Saleh, 2019a). According to Naron and Seyhah (2021), employers are one of the key players in the industry that demands skills and knowledge as the most important component for company operation and growth, and the future of work requires workers with skills related to their job (Rodzalan et al. 2022). Employers nowadays want graduates to not only have excellent degrees and perform well in their academics, but also to equip themselves with employability skills (Pazil and Razak, 2019), and the employability skills possessed by graduates must be aligned with the skills demanded by the nature of the industry (Saleh, 2020).

As future jobs will be different from those of the past, graduates with greater talents will be appreciated more in the current industry even though they lacks of higher qualifications or an excellent academic record (Hidayat and Yunus, 2019). Malaysia requires a high-skilled workforce to support the growth of the industry (Kenayathulla et al. 2019), and graduates are required to have modern skills in order to fulfil the needs of the present industry (Abdullah et al. 2020).
However, a study by Saim et al. (2021) emphasized that the industry criticized the Malaysia’s education system, particularly its engineering programme, for producing graduates who perform poorly and their incompetence to demonstrate newly acquired skills and knowledge to their jobs. One of the reasons why graduates are unemployed is due to lack of skills (Kadir et al. 2020), and these problems arise when graduates lack the required engineering skills, which are either thought important or not really necessary for employment (Laguador et al. 2020).

According to Mitiku et al. (2021), the acquisition of skills in the workplace is seen universally as a key driver of economic and technological development, thus, early introduction of employability skills and knowledge during the tertiary level of education to graduates is essential to ensure graduates are prepared for job hunting, as well as prepare professional skills for the current and future demand (Ishak and Madzuki, 2022). Rodzalan et al. (2022) stated, graduates must be exposed to the relevant skills that correspond to these breakthroughs to equip them for the challenges of Industrial Revolution 4.0 (IR4.0). Industries today prefer to hire graduates who already have the basic skills required (Yusof and Mohiddin, 2018), therefore, educators in HEIs must work to restructure graduates to ensure that all levels of employees have access to the most-up-to-date information and incorporate industry-based curriculum to adapt with the rapidly changing employment requirements (Kenayathulla, 2021; Jamaludin et al. 2021). According to Othman and Hussin (2020), Malaysian HEIs are responsible for supplying highly skilled graduates to meet the needs of the country’s industry to the maximum.

Nevertheless, graduates also need to take more responsibility for their own learning process (Eryani and Munifi, 2019). There has been so much debate about the graduate attributes that make up and promote employability among graduates (Barrie, 2006; Madhavi, 2018). There are claims from employers that university graduates do not fully develop the employable attributes required in the real-working world (Zakaria et al. 2020). Previous study by Masole and Dyk (2016) emphasized, employers have two dissatisfactions regarding the work-readiness attributes of current emerging graduates. The field-specific knowledge and technical skills alone are insufficient to label graduates’ work-readiness, hence, they need professional skills and the capacity to handle stressful nature of the real-working world’s environment (Masole and Dyk, 2016). Yet, only a little study has been done on the work-readiness attributes of graduates or whether their work-readiness levels meet employers’ requirements (Borg et al. 2017). For these reasons, engineering graduates need to impress the employers to hire or retain them in the real-working world by showing their unique skills (Saleh, 2019b).

Due to these pertinent issues, this study proposes a theoretical framework derived from employers’ perspectives regarding skills falling short, HEIs’ education system, and graduate attributes. This theoretical framework has been developed and aims to provide an organized way to investigate and understand the key elements and their relationships for this study. The theoretical framework developed for this study serves as a guide to systematically evaluate the information, identify important variables, and draw meaningful conclusions, ensuring that this study is based on established theories and concepts.

**Research Framework**

The theoretical framework illustrated in Figure 1 designed based on the literature examined and analyzed in determining the E&E employers’ perspectives towards the skills falling short, HEIs’ education system, and graduates’ attributes. The variables used for this study are
dependent and independent variables, which are the analytical factors assigned as dependent variable in determining the independent variables. Referring to Figure 1, the hypotheses developed for this study are based on the research questions and research objectives.

**Proposed Theoretical Framework**

![Theoretical Framework Diagram](image)

**Hypotheses Development**

Based on the research objectives and conceptual relationship between the variables, the following hypotheses are examined and tested in this study:

**Relationship between Skills Falling Short and Employers’ Perspectives**

The graduates’ skills falling short is a factor contributing to graduate unemployment in Malaysia (Chavan and Carter, 2018). Mismatch issue vary from expectation mismatch to skill mismatch (Abdullah et al. 2020). According to Green and Henseke (2016), there is always some mismatch between educational achievement and employment requirements, particularly in regard to IR4.0 employment requirements (Abdullah et al. 2020).

Aziz et al. (2023) stated that, the skills of graduates play a major role in determining the impact of IR4.0 on employability. However, if the skills possessed by the graduates do not match with employers’ demand, unemployment may occur (Aziz et al. 2023). Due to the continuous changes in the workplace, basic and traditional skills have lost relevance and hardly help graduates to find suitable jobs (Saleh and Lamsali, 2019). The graduates’ skills must align with the demand of E&E manufacturing company today if they want to find the employment opportunities (Saleh, 2019a).

Moreover, in order to guarantee every graduate are capable to work in IR4.0 settings, they need to acquire a skill set that will equip them to fulfill the demands of future industry (Kamaruzaman et al. 2019). The perspectives of employers from the World Economic Forum (2020) identified the top skills that employers perceive as becoming more crucial in the years leading up to 2025 are people management, self-management, problem-solving, and technical skills (World Economic Forum, 2023).

According to Saari et al. (2021), the four primary skill sets for IR4.0 are empowering digital skills, competence with entrepreneurial mentality, high impact technology, and a mix of soft and technical skills. Additionally, a study by Tajuddin et al. (2022) highlighted the employers
in the IR4.0 environment are looking for individuals who possessed information and communication technology (ICT) or digital skills, communication skills, interpersonal skills, leadership skills, and personal attributes. Graduates in HEIs must leave their comfort zone in order to meet the challenges of IR4.0 (Ahmad, 2017).

This is accordance with the significance of mastering the 4C elements which are primarily focused on critical thinking and problem-solving, communication, cooperation, and creativity, at all level of learning as outlined by World Economic Forum (WEF) (Nor et al. 2022). Nowadays, employees with Higher Order Thinking Skills (HOTS) such as problem solving, decision making, reasoning, creativity, and learning skills as well as those who can adapt to change are in high demand among employers (Estacio and Manuel, 2021).

As schools place a close attention on higher order thinking skills, graduates at HEIs also should be proficient in the 4C (critical thinking, communication, collaboration, and creativity) elements in every aspect of their lives (Nor et al. 2022). However, it is crucial for graduates to obtain twenty-first (21st) century skills (Rios et al. 2020), as employers have complained that recent graduates from HEIs lack these skills when they enter the real-working world (Goodman et al. 2015).

Study by Oraison et al. (2019) found that employers prioritize employability factors such as 21st century skills and practical competencies in graduates. According to Ismail and Hassan (2019), industries simultaneously demand that each graduate acquire the skills necessary for IR4.0 as well as other global 21st century skills, such as the capability to be creative, communicate, think critically, and collaborate. From employers’ perspectives, graduates must gain 21st century skills before stepping into the real-working world (Asefer and Abidin, 2021).

Therefore, this study proposes the following hypothesis:

**H1: There is A Positively Significant Relationship Between Skills Falling Short and Employers’ Perspectives.**

**Relationship Between Heis’ Education System and Employers’ Perspectives**

The challenging conditions of today have increased the employers’ pressure on HEIs, especially from the industry to ensure graduates have more than just academic skills (Misni et al. 2020). According to Hajazi (2016), the role of HEIs is getting more challenging due to the need to produce knowledgeable and skilled graduates who needs to be matched with industry’s demands and value.

HEIs’ education systems are expected to develop graduates with basic academic, personal, and teamwork skills (Kenayathulla, 2021). However, a study by Griffin and Annulis (2013) have found that, the most common employer complaints on recent graduates are lack of self-learning, problem solving, teamwork, and decision-making skills, compared to those who left HEIs with full of theories without the ability to apply them into practice. Yet, there has not been much empirical study to determine how HEIs aid in the acquisition of these skills (Misni et al. 2020).

Moreover, previous studies have found that further research is still required to assess the effectiveness of HEIs’ education system to meet the demand of the industry among graduates (Alias et al. 2013). According to Okolie et al. (2019), the curriculum is a major area of importance that has not received enough attention it needs from HEIs’ education system. HEIs’ education system must keep up with the pace of technological advancement to
guarantee students acquired the necessary employability skills to secure employment in future (Goulart et al. 2022).

At the same time, Saleh and Lamsali (2020) stated that employers demand the employees to equip themselves accordingly with competencies and capabilities besides excellent academic knowledge before entering the real-working world and face the stiff global competition. Thus, HEIs’ education system must use innovative teaching and learning methodologies to effectively address the requirements of skills needs in new technology of real-working world (Ilori and Ajagunna, 2020).

Additionally, to ensure graduates are taught or trained the practical skills required by the industry, the HEIs’ curriculum should be established only by authorized experts based on the industry’s demands, under the supervision of industry’s executives and professionals from the Directorate of Employment (Okolie et al. 2019). There is a growing demand for academicians in HEIs to impart training on skills such as competent reasoning, analytical thinking, and the ability to structure information and arguments, in order to prepare graduates to meet industry’s demands (Villiers, 2010; Osmani et al. 2019). The employability skills of graduates can be enhanced if the HEIs’ education system provides an adequate teaching and proper training in the specific career path to improve skills acquisition through curriculum and innovations in teaching pedagogy (Okolie et al. 2019). Okolie et al. (2019) added, employers emphasized that HEIs can concentrate on providing well-planned training for the acquisition of concrete skills rather than abstract learning, and also focus on integrating only relevant theories with skill practice rather than multiple theories with few or no practical experimentation.

According to Baird and Parayitam (2019), employers have equal accountability for the development of talent emerging from HEIs. However, the competencies and skills that employers in industry need and demand from recent graduates looking for employment can only originate from a collaborative and strategic alliances among graduates, HEIs, and employers (Baird and Parayitam, 2019). Nowadays, the cooperation between HEIs and industry has become an integral part of technology and innovation policy in newly industrialized countries (Rast et al. 2012).

Strategic partnership is one of the important factors to develop more competitive human capital (Ma’dan et al. 2020). The employers’ perspectives support the idea of raising graduates’ employability skills while also attempting to lower the unemployment rate in Malaysia (Ma’dan et al. 2020). Based on previous study, the collaboration between industry and HEIs is required to update the curriculum both directly and indirectly through idea-generating sessions or giving advice to HEIs about the skills, knowledge, and characteristics of employability required in current industry’s demands (Anas and Hamzah, 2017; Minocha et al. 2017; Tanius, 2018).

Thus, the following hypotheses is proposed for this study:

**H2:** There is a Positively Significant Relationship Between Heis’ Education System and Employers’ Perspectives.

**Relationship Between Graduates’ Attributes and Employers’ Perspectives**

The primary pillars of economic and social development in any nations are graduates’ education and employability (Osmani et al. 2019), and are characterized by a combination of personal attributes, skills, and achievements that increase graduates’ chances to land a job.
and succeed in their chosen career sector (Holmes, 2013; Hurrel et al. 2012; Yorke, 2006). A study by Eustice (2010) reported several employers’ perspectives about graduates’ personal attributes and skills. Teamwork, efficient time management and a high level of productivity when working under pressure, the ability to work with different personalities and experience dealing with difficult people, strong leadership qualities and initiative, and tackling complex information and effectively communicating it to others are cited as core interpersonal attributes that employers look for in graduates (Eustice, 2010).

According to Lau et al. (2020), development trends indicate that employee’s capacity over the long run is not just reliant on their technical expertise or educational background. Yet, employers are starting to place more value on graduates who have a broad range of skills that apply to all jobs (Lau et al. 2020). It is important for graduates to possess the skills aligned with the demand of the industry to be hired by employers (Saleh, 2019a).

Due to the shift of emphasis in the employment criteria, employers are more interested in candidates who possess the attributes and skills that make them ready for success in the rapidly evolving working environment (Lau et al. 2020). Therefore, the potential to succeed in the workplace after graduation has led to the adoption of work-readiness as a new hiring criterion (Lotto et al. 2006; Hart, 2008). The main goal of HEIs is to prepare graduates for the workforce through work-readiness, which is a compulsory component of performing well in the real-working world (Borg and Scott, 2020).

Work-readiness is the set of behaviors, skills, and values that assist in making an effortless employment’s transition, along with discipline-specific technical knowledge (Caballero and Walker, 2010; Prikshat et al. 2018; Business Council of Australia, 2016). Due to the increasing demand from employers and industry on recent graduates to possess work-ready skills and attributes, it is important to consider additional possible attributes that might aid in the improvement of work-readiness (Lau et al. 2020).

Manyika et al. (2017) suggest that everyone should prioritize resilience as a skill to manage problems at work and the harsh nature of the industry. Machines cannot fully replace the range of jobs performed by humans, and people will still have a job as long as there are problems discovered in the workplace (Low et al. 2021). According to Collard et al. (1996), resilience is the ability to adapt to shifting work conditions, even when the conditions are upsetting or unpleasant. Yet, the study on the resilience construct is currently forming in its early stages (Borg et al. 2021).

Borg et al. (2021) stated that graduates must possess resilience to remain work-ready for the duration of their careers. Supported by Seibert et al. (2016), employers perceived resilient graduates as flexible and willing to change their career objectives and approaches in the event of unexpected shift in work conditions. Professionally resilient employees are perceived as proactive employees who are dedicated to continuous self-improvement and life-long learning to adapt to the evolving nature of the work environment (Borg et al. 2021).

Therefore, Based on The Discussion, A Hypothesis is Proposed As Follows:

**H3: There is A Positively Significant Relationship Between Graduates’ Attributes and Employers’ Perspectives.**
Conclusions
This study is a part of Master of Science Research, aims to provide a theoretical framework that can be used as an informative guide for present and future researchers conducting related studies. It was regarded as accurate at the time this paper was published and created for use the time of this study was being conducted. Therefore, any disagreements resulting from its use and application outside of this context are not the responsibility of the corresponding author. Appreciation is extended to all who have contributed to the support of this study.

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