

# The Perspective of Malaysian Business Undergraduates towards Employability amidst the COVID-19 Pandemic

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#### **Abstract**

**Purpose:** This study aimed to determine how Malaysian Business undergraduates think about their future jobs and their employability prospects amidst the uncertainties caused by the COVID-19 pandemic.

**Design/methodology/approach:** A quantitative research approach at an individual level was the unit of analysis used in this study. To test the hypotheses, an online survey using a Google Form consisting of 22-questions was developed. A survey questions were distributed among students in public and private universities across Malaysia. This paper used SPSS 24.0 to examine the current perceptions of Malaysian undergraduates in relation to their employability. **Findings:** The study found that, despite a lack of visualisation concerning the future due to the global COVID 19 pandemic, the undergraduate students were generally quite confident according to their scoring for the four dimensions of perceived employability. These dimensions were: 1) commitment to their studies and confidence in their abilities, 2) reputation of their university, 3) the current state of the job market and 4) the current demand for people who have the same degree. In average, more than 51 percent of the business undergraduates have a medium score on their perceived employability.

**Practical implications:** This study provides insights for practitioners regarding current business undergraduates' perceived employability amidst the uncertainty caused by the COVID-19 pandemic. Higher education institutions have a vital role to play in preparing their students to face the unpredictability and precariousness of the job marketplace in the coming years.

**Originality/value:** This study is timely as its measures current business management undergraduates' perceptions of their future employability in light of the disruption caused by the COVID-19 pandemic.

Paper type: Research paper

**Keywords**: Business undergraduates, perceived employability, COVID-19 Pandemic, Malaysian University

#### Introduction

Unemployment issues are a major element of concern for any academics investigating employability of future graduates. Unemployment has been a worldwide problem, especially since one unknown pneumonia case became, within a week, the COVID-19 pandemic which



spread around the world (Shahriar et al., 2021). According to Haekal et al. (2021), the International Labour Organisation revealed that over 25 million people could lose their employment worldwide as a result of the epidemic. In response to the COVID-19 pandemic, restrictions on movement and business operations have indeed led to a sharp rise in unemployment (Deady et al., 2020). Malaysia's unemployment rate is growing as a result of the COVID-19 epidemic, with two million people expected to lose their jobs if no targeted action is taken (Menon, 2020). In addition, according to Abd Rahman et al. (2020), the Ministry of Human Resources (MOHR) has declared that, over the next two decades, the situation is expected to worsen with more than 54% of all jobs in Malaysia being at high risk of being replaced by technology.

In the case of Malaysia, unemployment issues were heightened when the government announced the Movement Control Order (MCO) where many companies experienced difficulty paying their employees' salaries (Abd Rahman et al., 2020). This situation led to layoffs to minimise operating costs and the freezing of new hires. This pandemic has aggravated the economic situation (Abd Rahman et al., 2020) by not only affecting the number of unemployed and the underemployment rate but also educational institutions (Haekal et al., 2021). The COVID-19 pandemic has led to changes in the concept of the learning process from face to face learning in the classroom to online learning and the virtual classroom (Daniel, 2020).

Associated with the study of employability there is a debate among researchers around the issue of the degree of focus universities should place on their graduates' employability and work-integrated learning. The arguments appear when few of the researchers also point out that employers nowadays have set too high requirements when they are hiring a new worker from fresh graduates. The contention or argument relates to the gap between academic training and the employability skills sought by employers. According to some authors, the focus on employability reflects companies' unwillingness to accept responsibility for providing specific training for new graduates (Ayala Calvo & Manzano García, 2020). This situation has been the catalyst for some researchers to take the opportunity to explore employability from the students' perspectives.

Thus, this research paper examines the four dimensions of perceived employability from the business undergraduates' perspective in terms of their commitment to their studies and confidence in their abilities, reputation of their university, the current state of the job market, and current demand for people who have the same degree. The perception of business undergraduates was measured during the uncertainty caused by global pandemic COVID-19. In terms of the concept of employability, from the perspective of the students and future graduates, they need to feel that their respective higher education institution can ensure them that they are prepared well and have the best possible chance of being hired when they finish their bachelor degree studies. This concept is really important, especially in the midst of the pandemic. According to Rothwell et al. (2008) one of the employability elements is the ability to develop potential through sustainable employment. So, from the future graduates or students' perspective, they may want a job that relates to what they have already learnt during their bachelor degree studies (Rothwell et al., 2008).

## **Literature Review**

Employability, according to Hillage and Pollard (1998), can be seen from the individual's perspective as the gaining of knowledge, attitudes and skills which become their assets for life. This definition and concept were supported by other scholars such as Yorke and Knight (2008) who also examined employability from the student's or graduate's perspective. Another study of self-perceived employability from the students' perspectives was carried out by Rothwell et al. (2008) and focused on bachelor degree students who were taking business courses. Their



study used final year students as their respondents. The resulting opinions about future employability were surprisingly moderate, especially for those positions that can be said to be the strongest, indicating that these self-perceptions may be the product of relative social expectations, in line with the conflict theory of positions.

The concept of employability was examined by Griffin and Coelhoso (2018). In their study they examined the issue from the standpoint of the students' employability skills such as teamwork, communication, critical thinking, problem solving, interpersonal skills, project management and so on. The respondents were students who had already finished their internship placement. They indicated that the aforementioned employability skills were the key factors to getting a job (Griffin & Coelhoso, 2018). Interestingly, a study carried out by Gamage and Henegedara (2019) entitled "Employability of university graduates: Investigation of graduate's and employer's perspectives on employability" concluded that the items classified as employability skills were positively rated by both the employer and the graduates. Factors such as subject knowledge, generic skills, career development learning, work experiences, emotional intelligence and employer beliefs impact graduates' employability from both the employer's and the graduate's perspective (Gamage & Henegedara, 2019).

In further studies about perceived employability among students or graduates, previous research has shown that perceived employability is a structure that includes internal and external factors (Ayala Calvo & Manzano García, 2020; Rothwell et al., 2008; Rothwell & Arnold, 2007). According to Ayala Calvo and Manzano García (2020), job-related knowledge and abilities, as well as the prevalence of job searches and the ability to continue studying, are all internal variables, meanwhile for the current situation in the employment market is referred as an external factor. Furthermore, previous study done by Rothwell et al. (2008) was defined the perceived employability from the graduates' perspective and relates to the university's reputation and the specific degree program taken by the students or graduates.

# Methods

For this study, the main research design used the quantitative research approach. The unit of analysis applied to this study was at the individual level. Due to COVID-19 and the MCO, an online survey using Google Form with 22-questions was developed. Since this study was using online survey and convenience sampling was applied, thus the link of survey questions was distributed to business management's lecturers of public and private universities. Then, the link of survey question was distributed to business students in public and private universities across Malaysia including HRM, International Business, Marketing, Finance, Accounting, and Business Economic bachelor degrees. All variables in the study were measured using a five-point scale, in which 1 = strongly disagree to 5 = strongly agree. SPSS 24.0 was used to analysis the data and to achieve the objectives of study.

## **Findings**

From the survey questions using Google form, around 247 responses only were received. The link for the Google Form survey was distributed among business management undergraduates in public and private universities in Malaysia, including Sabah and Sarawak.

#### **Demographic**

As presented in Table 1, most of the respondents were female (78.9%), while males made up 21.1% of the sample. The age group that had the highest percentage was the 18-20-year-old (53%) and least number of respondents was in the age range from 28 years and above at 2.4%. Race was divided into four categories - Malay (83%), Chinese (4%), Indian (10.5%) and others (2.4%). For the respondents' institutions, most of them came from IPTA (63.2%) with 36.8%



from IPTS. In terms of years of study, the respondents who completed the survey were from all year levels of study - first year 29.1%, second year 36%, third year 8.1% and final year 26.7%. In addition, the respondents were asked about their current CGPA. Most of them have a good grade in their CGPA - 35.6% for CGPA 3.51-4.00 and 45.7% for CGPA 3.01-3.50. Lastly, for the question about the graduates already having any working experience or not, the majority of the respondents (67.6%) had working experience and 32.4% of had had no working experience.

Table 1: Demographic Profile

Criteria	Category	Number	Percentage
Gender	Male	52	21.1
	Female	195	78.9
Age	18-20	131	53
	21-24	103	41.7
	25-27	7	2.8
	28 and above	6	2.4
Race	Malay	205	83
	Chinese	10	4
	Indian	26	10.5
	Others	6	2.4
Institutions	IPTA	156	63.2
	IPTS	91	36.8
Year of study	First Year	72	29.1
	Second Year	89	36
	Third Year	20	8.1
	Final Year	66	26.7
<b>Current CGPA</b>	Below than 2.0	9	3.6
	2.00-2.50	6	2.4
	2.51-3.00	31	12.6
	3.01-3.50	113	45.7
	3.51-4.00	88	35.6
Working	Yes	167	67.6
experiences	No	80	32.4

# Descriptive Analysis

For this study, all items were measured based on the five-point Likert scale with the endpoints of "strongly disagree" (1) and "strongly agree" (5). Referring to Table 2 below, a score of more than 4 denotes that the respondents exhibited a high level of perceived employability, for the score between 3 to 4 indicated moderate or medium level in perceived employability and a score less than 3 indicated a low level of perceived employability. The score was assigned according to the percentile technique adopted in the previous study (Rajan, 2021).

As can be seen in the Table 2 below, overall, the perceived employability among business graduates was moderate. This result may have been affected by the current Covid-19 situation in Malaysia and the Movement Control Order (MCO) announced by the Malaysia Government.



Table 2: Descriptive Statistics for Perceived Employability (frequency score)

Construct	Items	Frequency Score (%)		
		Low	Medium	High
Perceived Employability 1 (PE1)	Commitment to their studies and confidence in their abilities	5	79	163
Perceived Employability 2 (PE2)	Reputation of the university	20	98	129
Perceived Employability 3 (PE3)	Current state of the job market	22	96	129
Perceived Employability 4 (PE4)	Demand for people who have the same degree	6	90	151
Overall Perceived Employability		9	127	111

#### **Discussion and Conclusion**

The perception of employability among business graduates can be seen as at a moderate level even though each item of the dimensions of perceived employability denoted a high score. This result shows that a large number of students were not very confident about their future job prospects due to the effect of the COVID-19 pandemic. The current mode of study which is a full online mode of learning also may decrease their confidence in their future job prospects. Furthermore, despite their lack of foresight about the future, undergraduate students are mentally and physically affected by this pandemic which is possibly coloring their view. Thus, the business undergraduates need to have a variety of plans for their future professions. No doubt the COVID-19 crisis has caused massive financial problems around the world and as a result, future job searchers must be willing to prepare and develop additional skills as well as to establish crucial networks and assistance from other parties in the midst of COVID 19.

The purpose of this study was to determine how Malaysia's business undergraduate students perceived their future job prospects amidst the COVID-19 pandemic. Given the relatively moderate score for their future employment prospects, a future study could explore the possible factors which lead to the undergraduate's perceived employability amidst this global pandemic. Furthermore, the higher education institutions and relevant government bodies need to find a solution to boost the confidence of the undergraduates as well as providing important training for undergraduates in order for them to equip themselves for future job markets which will be more challenging.

# Practical and Social Implications

This study provides insights for practitioners regarding current business undergraduates' perceived employability amidst the uncertainty caused by the COVID-19 pandemic. Higher education institutions have a vital role to play in preparing their students to face the unpredictability and precariousness of the job marketplace in the coming years.



## Limitations and Suggestions for Future Research

Due to movement control order (MCO) instructed by Malaysian Government because of the pandemic COVID-19, the survey questions only can be distributed through online. The respondents of this study only can be chosen by using a convenience sampling. Thus, the author only can accept the willingness respondents and waiting for help from universities' management. Since this topic of study are really interesting, the future research and study about this topic and issues should including other variables and adding moderator or mediator.

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