

**DECLARATION OF SUPERVISOR**

“I hereby acknowledge that I have read this project paper and in my opinion, this work sufficient in terms of scope and quality for the award of Bachelor Degree of Technopreneurship”

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THEORETICAL KNOWLEDGE VERSUS PRACTICAL SKILLS:  
FUTURE GRADUATES DILEMMA  
IN REAL WORKING ENVIRONMENT

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Submitted In Partial Fulfillment of the Requirements for the Bachelor  
Degree of Technopreneurship with (Honours)

Faculty of Technology Management and Technopreneurship

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

JUNE 2016

**DECLARATION OF ORIGINAL WORK**

“I hereby declare that the work of this exercise is mine except for the quotations and summaries that have been duly acknowledge.”

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Date:.....

## **DEDICATION**

I dedicate this to my all beloved ones, you-know-who.

This is blood, sweat, and tears.

Mom, Dad, DingMoiBem, Ti, Ul.

Aki, Inek.

Friends and enemies.

BTEC

Shimmies.

Baymax.

Love you

## ACKNOWLEDGEMENT

Prima facea, I must say his gratitude to Allah S.W.T for giving the chance to live. I am so grateful for good health and wellbeing that were necessary to complete this thesis writing. All of the Guidance from Him had showed me the way to be better and better.

I want to express my thanks to my beloved supervisor, Mr. Albert Feisal for his encouragement and support for the whole journey of this thesis writings. His responsiveness with responsibility had made me feel warm to work along under his supervision. The atmosphere he brought in the meantime had made us much closer as a member rather than a supervisor.

I place on record, my sincere thank you to Dr. Chew Boon Cheong, my beloved panel which had taught me a deeper insight for writing a proper research paper and also for encouragement to further the studies into a higher level. He had made the process much easier.

BTEC family is a must for me to say thanks, especially to SHIMMIES team; Syue, Adiba, Ain for all the lecturing talk in furthering the discussion while writing the research paper. I do appreciate their assistance; even it hurt at the same time. Without them, this thesis is just content without the soul.

## **ABSTRACT**

This research is done in a purpose of studying the issues related to theoretical knowledge and practical skills towards the future graduates in real working environment. This paper is a survey-based quantitative research through questionnaire. A sample of 108 respondents has been identified and responded within this study. Data analysis had been done to analyze the results, by using the appropriate applications according to the settings specified for measurement. Statistical Package for Social Sciences (SPSS) is used in assisting for data analysis in depth. The outcomes had been found that practical skills are the most influencing factor for future graduates towards real working environment, with a strong association in terms of relationship (Coefficient = 0.748) and also significant at the value of  $p < 0.001$ . These findings would be further discussed with consideration on the research scope, limitations and recommendation for further studies.

## **ABSTRAK**

*Kajian ini dilakukan dengan tujuan mengkaji isu-isu yang berkaitan dengan pengetahuan teori dan kemahiran praktikal ke arah graduan masa depan dalam persekitaran kerja sebenar. Kertas kerja ini merupakan kajian kuantitatif yang berasaskan tinjauan melalui soal selidik. Sampel kajian terdiri daripada 108 responden telah dikenal pasti dan maklum balas dalam tempoh kajian ini. Analisis data telah dilakukan untuk menganalisis keputusan, dengan menggunakan aplikasi yang sesuai mengikut tetapan yang ditentukan bagi pengukuran. Statistical Package For Social Science (SPSS) digunakan dalam membantu untuk analisis data secara mendalam. Hasil telah mendapati bahawa kemahiran praktikal adalah faktor yang paling mempengaruhinya untuk graduan masa depan ke arah persekitaran kerja yang sebenar, dengan persatuan yang kuat dari segi hubungan ( $Pekali = 0,748$ ) dan juga signifikan pada nilai  $p < 0.001$ . Penemuan ini akan dibincangkan lagi dengan pertimbangan kepada penyelidikan skop, had dan cadangan untuk melanjutkan pelajaran.*

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## LIST OF ABBREVIATION AND SYMBOLS

<b>ABBREVIATION OR SYMBOLS</b>	<b>MEANING</b>
%	Per cent
<	Less than
CGPA	Cumulative Grade Point Average
DEST	The Department of Education, Science and Training
H <sub>0</sub>	Null Hypothesis
H <sub>A</sub>	Alternative Hypothesis
IS	Information System
MRA	Multiple Regression Analysis
N	Number
p	Significance value
PMCC	Product-Moment Correlation Coefficient
Sig.	significant
SPM	Sijil Pelajaran Malaysia
SPSS	Statistical Package for Social Sciences
STPM	Sijil Tinggi Pelajaran Malaysia
UK	United Kingdom
USA	United States of America
X <sup>2</sup>	Chi -square

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## CHAPTER 1

### 1.0 INTRODUCTION

#### 1.1 Introduction

This research paper will be categorized into five chapters. The first chapter will introduce the readers towards the general overview of conducting the research. The first section will extract several sub-sections. There are consisting of the background of the study, problem statements, followed by research questions, research objectives, scope of the research, and finally the significance of the study. This chapter will expose the readers towards the issues that resulting into conducting this research. It will lead the readers to the idea of conducting this research, through the generating of the key elements for the continuation of the research.

Generally, the continuation of this research paper will guide the reader through the next chapters. The second chapter of this research will elaborate on the literature reviews, which are basically based on the previous research done by the previous researchers as the secondary data and information.

Theories and concepts will be explained via the collection of the articles, journals, or any publications in creating literature review which assisting in answering the research questions, together to achieve the research objectives.

The third chapter covers the research methodology, containing the method to be used for primary data collection for later analysis. The following fourth chapter will present the findings, consisting of the research results based on the data collection in which will be discussed further. Last but not least, the fifth chapter will conclude the research and also recommends some actions to the readers for future research.

## **1.2 Background of Study**

Malaysia is a strongly motivated developing country with a vision to achieve the status as a developed country. In order to achieve that, one of the important efforts taken is by changing the primary economic sector from manufacturing to service in which also apply as the main policy in other developed country. As the consequence, the service sector requires a bunch of skilled workforce with qualification which is recognized from higher educational institution and this service sector promises a higher wages payment compared to the other sectors. This has resulting into a vitality of higher educational institution for individual in order to get a good job along with high wages.

From the focus change stated above, three parties consist of the government, household and private community reacts towards this change. More and more people are motivated by the government to further their studies, as well as the parents are willing to send their sons and daughter for pursuing higher education.



At the same time, there are more and more of establishment of the private institutes. This chain reaction has produced an outcome in increasing number of output from the higher learning intuition.

According to statistics from Ministry of Higher Education, the total output of graduates is 168,879 in 2007, 173,183 in 2008 and 202,203 in 2009. Sherer & Eadie (1987) points out those employability skills are not job specific, but are the skills that cut vertically across all jobs from entry level to chief executive officer and horizontally across all industries.

Too many young graduates leave universities without the skills, attitudes, and understanding that are necessary to successfully enter the world of work. The unemployment rates among graduates are the highest in the country. Often jobs are readily available, but these graduates lack what is needed to get and keep jobs. It seems reasonable to expect schools to teach students what they need to succeed in the world of work (McCoy, 1991, p. 94).

“Employability skills are defined as skills required not only to gain employment, but also to progress within an enterprise so as to achieve one’s potential and contribute successfully to enterprise strategic directions.” (DEST 2002a).

Now, Malaysia is said to be at the second phase of a fifteen year period on the journey in transformation for achieving a developed country status. The world as we can observe nowadays has experiencing tremendous changes in the aspect of technological development, and in order to survive in the competition, most of the work indeed need to be operated globally. Jailani et al (2006) mentions that there is a necessity to use high level technology in order to compete in the global arena because of the impact on the nature of work created by this change.

Thus, a more flexible workforce is highly demanded by the employer within the industry well-developed generic skill such as creative thinking, problem solving, analytical skills, together with advance technical skills in order to meet the challenges faced by the business.

Robinson (2000) points out that basic skills which are necessary for getting, keeping, and perform well on a job is called employability skills; which are naturally generic rather than job specific and cut across all businesses, industries, job levels from the entry-level employee up to the senior most position.

“Organizations must demand the employees with competencies which will lead to a high return on the employee investment in order to be successful in this increasingly challenging, ever changing business environment” (Mitchell, 2006). Thus, working relationship with industry is crucial for educational institutions to meet job requirement and the need of employers.

‘Work readiness’ based on the employers’ point of view refers the employability, which describes the possession of the skills, knowledge, attitudes and commercial understanding which will enable the future graduates to contribute productively towards the objectives of the organizations soon after the employment is commenced (Mason, Williams & Cranmer, 2006).

To concise, this study is carried out purposely to research the holistic package of the content for the theoretical knowledge and practical skill with the relational towards the dilemma of the future graduates in the real working environment.

### 1.3 Problem Statement

A serious suffering of the rise in number of the unemployed graduates has been resulted from the increasing of the produced graduates. The phenomenon caused by the graduates' supply and demand imbalance as it is becoming an issue of graduates' unemployment. Figure 1.1 below shows the unemployment rate forecast in Malaysia.

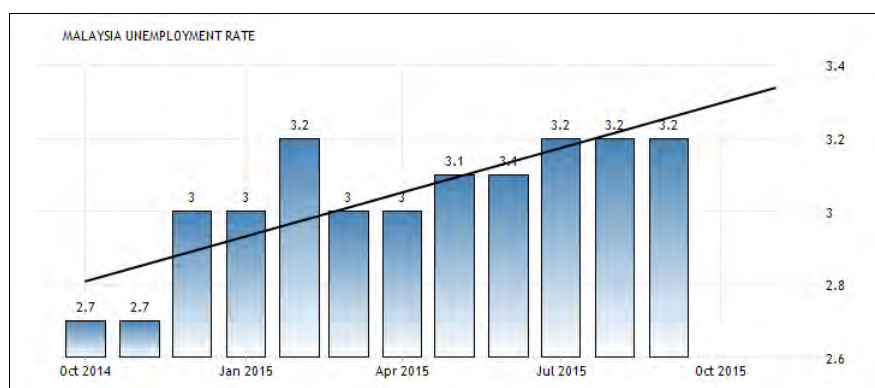
**Figure 1.1: Forecasted unemployment rate in Malaysia**



Sources: [www.tradingeconomics.com](http://www.tradingeconomics.com) & Department of Statistics Malaysia

Based on the trend showed from the Figure 1.1, the unemployment for nowadays is in uniform. The rate is unchanged starting from the month of July until September, with a percentage of 3.2 per cent (%). The trend also shows that the unemployment rate will be decreased as the trend line indicates a curve. However, the Figure 1.2 will show the reality of employment issue.

**Figure 1.2: Actual unemployment rate in Malaysia**



Sources: [www.tradingeconomics.com](http://www.tradingeconomics.com) & Department of Statistics Malaysia

The Figure above indicates that the actual increase in the rate of unemployment in Malaysia. The latest reading on the September shows that the rate is 3.2 per cent (%). This issue had becoming a concern towards the competencies of the graduates to be fit in the job market for employability in which are based on the line that showing the increase in the unemployment rate for the future graduates.

Moreover, there is an arising matter which concern on the current graduates does not match the needs of business as now the global competition is stiff. The graduates nowadays are lacking in both technical knowhow and generic skills (Khir, 2006). The efforts to upsurge the graduates' fusion of both domains of specific knowledge and generic skills resulting into competencies must be covered. Jailani et al (2006) has highlighted the issue as in Ninth Malaysia Plan. Educational institutions have come under intense pressure to equip students with more than just the academic skills. Universities has been urged under a number of reports issued by the employer to make more explicit efforts to develop the 'key', 'core', 'transferable', 'soft', 'employable' and/or 'generic skills' needed in many types of employment.

The quality of the graduates has becoming an issue, contributing towards the unemployment of the graduates. There are lots of graduates which do not meet the employers' requirement, in terms of employability. The obvious observed weakness which happens to the graduates nowadays is the lack of soft skills and not performing well at work place. The expectation up until today is that the graduates are expected to not only excel in academic but at the same time also equipped with soft skills.

The symptom of employment rate in Malaysia has intrigue the researcher on the issue of the competencies in employability among the graduates. Thus, the problem statement based on this scenario is “To what extent is that the future graduates are indeed in the need for the knowledge and skills?”

#### **1.4 Research Questions**

Based on the previous insights, there are several research questions that can be derived to be studied in attempt to search for the answers for this paper as follows:

RQ<sub>1</sub>: Is there any essential features of the “theoretical knowledge” and “practical skills” for future graduates?

RQ<sub>2</sub>: Do the relationship between theoretical knowledge and practical skills exist for future graduates?

RQ<sub>3</sub>: How do the theoretical knowledge and practical skills impact the future graduates in real working environment?

## **1.5 Research Objectives**

From the identification of the research questions, the construction of the research objectives is needed in assisting to answer the research questions, in which function as the guideline for this research paper. The research objectives are as follows:

- RO<sub>1</sub>: To identify the essential features of theoretical knowledge and practical skills for future graduates.
- RO<sub>2</sub>: To analyze the existence of the relationship between theoretical knowledge and practical skills for future graduates.
- RO<sub>3</sub>: To examine the highest impact between the theoretical knowledge and practical skills towards the future graduates in real working environment.

## **1.6 Scope of Research and Key Assumption**

### **1.6.1 Scope of Research**

Although there are many determinants which can be reviewed in this research study, the scope of this research is focusing on the future graduates. This study will cover the expectation of future graduates towards the application of the theoretical knowledge for working in the future. Besides that, the perceptual point of view from the employer also will be taken as a part of the parcel in this study to ensure a fair outcome from both sides of the test subject.

The research also will be set for a period of time and specific location, in which only cover the area of Melaka city center for about 2 semester, which is can be counted for almost one (1) year of studies.

### **1.6.2 Key Assumption**

Assumption for this research paper is that the research subjects, consisting of the respondents are aware to the concept and context of the future graduates' dilemma, in the aspect of the theoretical knowledge and practical skills. On the other side, the perspective from the employer also will be taken for interactional studies for the relationship of theoretical knowledge and practical skills. All parties involved in this research will be assumed to have the uniform and linear understanding about the issue addressed in this research.

## **1.7 Significance of study**

### **1.7.1 Employers' organization**

This study will be carried out to find out the impact of the theoretical knowledge with the practical skills towards the employment. The employers' organization at first will recruit the best among the best graduates produced by the higher learning institutions, which equipped with a holistic set of skills and knowledge. Hopefully this study can contribute to the hiring manager, especially those who involve in the human resource department to set up a checklist as the guidelines for employing the future employees.

### **1.7.2 Future employees**

The outcomes from this study will give an insight for the future employees to actively prepare themselves with both skills and knowledge. This is important for the future employees, mostly consisting of the future graduates, to equip themselves with a holistic ability to potentially be employed by the employer. They must be equipped with the theoretical knowledge learnt from the higher learning institution, and also the practical skill, which indirectly learnt from the experience for the industrial attachment training, or internship.

### **1.7.3 Researcher**

Since this issue is an arising matter, future employees (graduates-to-be) dilemma can be considered as the old-fashioned issue. The only difference is that, the focus of employment for this era of real working environment which involves the research towards the competition and ability of the future employees to match with the job requirement. The finding of this study hopefully can a little bit fill up the gaps and contributes to the other researchers who want to do the study in more in depth.