



Faculty of Cognitive Sciences and Human Development

**UNEMPLOYMENT AMONG UNIVERSITY GRADUATES
IN PENKALAN CHEPA, KELANTAN**

Nurul Aishah binti Muhamad

67341

Bachelor of Science (Honour)

(Human Resource Development)

2020/2021

**UNEMPLOYMENT AMONG UNIVERSITY GRADUATES
IN PENKALAN CHEPA, KELANTAN**

NURUL AISHAH BINTI MUHAMAD

**Final Year Project Report Submitted in
Partial fulfilment of the Requirements for the
Degree of Bachelor of Science (Hons.) Human Resource Development
in the of Faculty of Cognitive Science and Human Development
Universiti Malaysia Sarawak**

AUGUST 2021

UNIVERSITI MALAYSIA SAWARAK

Grade: A-

Please tick (✓)

Final Year Project Report

Masters

PhD

DECLARATION OF ORIGINAL WORK

This declaration is made on the 11 day of August 2021.

Student's Declaration:

I **NURUL AISHAH BINTI MUHAMAD** matric no **(67341)** from **FACULTY OF COGNITIVE SCIENCE AND HUMAN DEVELOPMENT** hereby declare that the work entitled, **UNEMPLOYMENT AMONG UNIVERSITY GRADUATES IN PENKALAN CHEPA, KELANTAN** is my original work. I have not copied from any other students' work or from any other sources except where due reference or acknowledgement is made explicitly in the text, nor has any part been written for me by another person.

11 AUGUST 2021

Date submitted

NURUL AISHAH BINTI MUHAMAD (67341)

Name of the student (Matric No.)

Supervisor's Declaration:

I **DR SITI MARIAM BINTI ABDULLAH** hereby certifies that the work entitled **UNEMPLOYMENT AMONG UNIVERSITY GRADUATES IN PENKALAN CHEPA, KELANTAN** was prepared by the above-named student, and was submitted to the "FACULTY" as a partial fulfillment for the conferment of **BACHELOR OF SCIENCE WITH (HONOURS) HUMAN RESOURCE DEVELOPMENT** and the aforementioned work, to the best of my knowledge, is the said student's work



Received for examination by:

DR Siti Mariam binti Abdullah

Date: 11 AUGUST 2021

I declare this Project/Thesis is classified as (Please tick (√)):

- CONFIDENTIAL** (Contains confidential information under the Official Secret Act 1972) *
- RESTRICTED** (Contains restricted information as specified by the organization were research was done) *
- OPEN ACCESS**

Validation of Project/Thesis

I therefore duly affirmed with free consent and willingness declared that this said Project/Thesis shall be placed officially in the Centre for Academic Information Services with the abide interest and rights as follows:

- This Project/Thesis is the sole legal property of Universiti Malaysia Sarawak (UNIMAS).
- The Centre for Academic Information Services has the lawful right to make copies for the purpose of academic and research only and not for other purpose.
- The Centre for Academic Information Services has the lawful right to digitize the content to for the Local Content Database.
- The Centre for Academic Information Services has the lawful right to make copies of the Project/Thesis for academic exchange between Higher Learning Institute.
- No dispute or any claim shall arise from the student itself neither third party on this Project/Thesis once it becomes sole property of UNIMAS.
- This Project/Thesis or any material, data and information related to it shall not be distributed, published or disclosed to any party by the student except with UNIMAS permission.

Student's signature *Nurul Hishah*
11 AUGUST 2021

Supervisor's signature: 
11 AUGUST 2021

Current Address: **LOT 718, KAMPUNG KEMUMIN, PENGKALAN CHEPA,16100 KOTA BHARU, KELANTAN.**

Notes: * If the Project/Thesis is **CONFIDENTIAL** or **RESTRICTED**, please attach together as annexure a letter from the organization with the period and reasons of confidentiality and restriction.

[The instrument was duly prepared by The Centre for Academic Information Services]

The project entitled 'UNEMPLOYMENT AMONG UNIVERSITY GRADUATES IN PENGKALAN CHEPA, KELANTAN' was prepared by NURUL AISHAH BINTI MUHAMAD and submitted to the Faculty of Cognitive Sciences and Human Development in partial fulfillment of the requirements for a Bachelor of Science with Honours Human Resource Development.

Received for examination by:



(Dr Siti Mariam Binti Abdullah)

Date:

11/8/2021

Gred

A-

ACKNOWLEDGEMENT

Alhamdulillah, great thanks to the great Almighty ALLAH s.w.t, who grants me knowledge, strength, and determination to accomplish my Final Year Project report successfully. I would like to express my thanks to Dr Siti Mariam binti Abdullah as my supervisor who had provided motivation and guidance to me in completing this report on time. It was a great privilege to me conduct this Final Project report under her supervision.

I am grateful and thankful to all my family that always give support and motivation so that I do not give up completing this report and to my classmate and friends who have helped me in planning and completion of this and contributing ideas. I am grateful and thankful to all informants for their encouragement and helping me in getting information and guidance throughout the preparation of this report.

NURUL AISHAH BINTI MUHAMAD

Table of Contents

ACKNOWLEDGEMENT	i
LIST OF FIGURES.....	v
LIST OF TABLES.....	vi
ABSTRACT	vii
ABSTRAK.....	viii
CHAPTER 1 OVERVIEW OF STUDY	1
1.0 Introduction	1
1.1 Background of Study	1
1.2 Problem Statement	2
1.3 Research Objectives.....	3
1.4 Research questions.....	4
1.5 Research Framework	4
1.6 Definition of Terms.....	5
1.7 Significance of Study	6
1.8 Limitation of Study	6
1.9 Chapter Summary	7
CHAPTER 2 LITERATURE REVIEW.....	8
2.0 Introduction.....	8
2.1 Theoretical Discussion.....	8
2.2 Empirical Discussion	12

2.3 Practical Discussion	13
2.4 Chapter Summary	15
CHAPTER 3 METHODOLOGY.....	16
3.0 Introduction.....	16
3.1 Research Design.....	16
3.2 Population, Sample & Sampling Procedure.....	17
3.3 Instrument of Study.....	18
3.4 Validity & Reliability	19
3.5 Ethics of The Study.....	19
3.6 Pilot Study.....	20
3.6 Data Collection Procedure	20
3.7 Data Analysis Procedure.....	21
3.8 Chapter Summary	22
CHAPTER 4 FINDINGS AND DISCUSSION	24
4.0 Introduction.....	24
4.1 Demographic Aspect.....	25
4.2 Findings and Discussion	27
4.3 To Identify the Factor Influencing Unemployment Among University Graduates in Pengkalan Chepa, Kelantan.	27
4.4 To access the effect unemployment among university graduates in Pengkalan Chepa, Kelantan	33
4.5 Evaluate the recommendations for reducing unemployment among university graduates in Pengkalan Chepa, Kelantan.....	40

4.6 Summary	46
CHAPTER 5 IMPLIMENTATIONS, RECOMMENDATIONS AND CONCLUSIONS	47
5.1 Introduction	47
5.2 Summary of Research	47
5.3 Implications.....	48
5.3.1 Theoretical Implication	49
5.3.2 Methodological Implication	49
5.4 Recommendations	50
5.5 Limitations of Study	51
5.6 Conclusion	51
REFERENCES	52
APPENDICES.....	56
Appendix I: Interview Questionnaire.....	56

LIST OF FIGURES

Figure 1: The relationship of individual factors, the labour market and organizations that affect employability.....	10
Figure 2: The Career Edge Model of Graduate Employability.....	12
Figure 4.1.1 Age of informants.....	26
Figure 4.1.2 Gender	26
Figure 4.1.3 Year of service.....	27

LIST OF TABLES

Table 4.1: The demography of the informant	26
Table 4.3.1 the factor influencing unemployment among university graduates in Pengkalan Chepa, Kelantan.....	29
Table 4.4.1 The effect of unemployment among university graduates in Pengkalan Chepa, Kelantan	34
Table 4.5.1 the recommendation reducing unemployment among university graduates in Pengkalan Chepa, Kelantan	41

ABSTRACT

Unemployment is one of the problems in the economy that is caused by a labour imbalance which indicates that the amount of labour that offered more than the amount of manpower requested. The height of the unemployment rate occur will reflect good or bad the economy of a country or a region. In addition, one of the most important issues for a country or area is this unemployment problem will have an impact on a variety of crime, social politics, and poverty.

In Kelantan, the unemployment rate is relatively moderate compared to other states in Malaysia. This can be seen from the development of the graduate unemployment rate in Kelantan in 2020 of 6.0%. Unemployment that occurs theoretically, of course, there are several indicators that affect it, among which are population growth and education.

A study on unemployment among graduates needs to combine all the different opinions from different sources and analyse those opinions to obtain accurate results. A study on the factors, effects and recommendations involved in this problem can reduce the unemployment rate in Kelantan especially in Pengkalan Chepa.

ABSTRAK

Pengangguran merupakan salah satu masalah dalam ekonomi yang disebabkan oleh ketidakseimbangan tenaga kerja yang menunjukkan bahwa jumlah tenaga kerja yang ditawarkan melebihi jumlah tenaga kerja yang diminta. Tingginya tingkat pengangguran yang terjadi akan mencerminkan baik buruknya perekonomian suatu negara atau suatu daerah. Selain itu, salah satu masalah yang sangat penting untuk diperhatikan oleh suatu negara atau daerah adalah masalah pengangguran ini akan berdampak pada berbagai sosial, politik dan kemiskinan.

Di Kelantan, kadar pengangguran agak sederhana jika dibandingkan dengan negeri lain di Malaysia. Ini dapat dilihat dari perkembangan kadar pengangguran siswazah di Kelantan pada tahun 2020 sebanyak 6.0%. Pengangguran yang berlaku secara teori, malahan ada beberapa petunjuk yang mempengaruhinya, antaranya ialah pertumbuhan penduduk dan pendidikan.

Satu kajian berkaitan pengangguran dalam kalangan siswazah perlu menggabungkan semua pendapat yang berbeza daripada sumber-sumber yang berbeza dan menganalisis pendapat tersebut untuk memperolehi keputusan yang tepat. Kajian mengenai faktor, kesan dan cadangan yang terlibat dalam masalah ini boleh mengurangkan kadar pengangguran di Kelantan terutamanya di Pengkalan Chepa.

CHAPTER 1

OVERVIEW OF STUDY

1.0 Introduction

The study examines unemployment in Pengkalan Chepa, Kelantan, among university graduates. This chapter includes a background of study, a statement of problem, research goals, issues related to research, conceptual framework, significance of study, study limitation and definitions of terms. This chapter is significant as it offers an overview of what the study is all about.

1.1 Background of Study

The unemployment rate among university graduates is increasing. A total of 216,048 (56%) university graduates are unemployed out of 385,800 unemployed in Malaysia (Hadarah Daily, 2015). The findings of a study by Manpower Staffing Services (M) Sdn. Bhd also reported that 3 out of 5 university graduates need to take more than 6 months to earn jobs and the other 40% take longer than that.

The dispose of graduates in the labour market is not a new issue. The country was once burdened with this problem in the 1980s by the world economic recession which also affected the Malaysian economy. The highest number of graduate unemployment ever recorded was in 1987 and 1988, which were 19,000 and 15,000 respectively (Rahmah, 2000). Meanwhile, data from the ministry of human resources has increased from 400 people in 1980 to 10,189 people in December 1988 (Jomo, 1990).

In Malaysia, the issue of unemployment among graduates is always highlighted in the media and electronics. Despite having degree qualifications, many graduates in Malaysia do not yet have jobs. There are many questions that arise in connection with this. Where is the mistake? Is it a mistake for graduates to choose jobs too much? Many courses offered at the

University are irrelevant. Many questions can be raised. To make matters worse when more private universities are approved to offer various programs. The number of graduates from privates is increasing every year and many thinks that private universities and colleges in the last 10 years have implemented a factory industry that produces more manpower than the demand by the employment industry.

Those who quit their jobs and try to get a new job also share this problem. The unemployed who quit their jobs in the last three years are still failing until today in trying to get a permanent job despite having extensive knowledge and experience in work.

1.2 Problem Statement

The research explores several questions that related to the factors of university graduates' unemployment issues in Pengkalan Chepa, Kelantan. More research about unemployment among university graduates was carried out and one of the studies was conducted by Zaliza Hanapi and Mohd Safarin Nordin, 2013 on Unemployment among Malaysian Graduates: qualities of graduates, competency of lectures and standard of education. From the study, the results showed that the most respondents agreed to graduates attributes, lecturer's competency and quality of education referred to in the study curriculum are factors leading to Malaysian graduates' unemployment issue. 21 public and 38 in the private universities in Malaysia about 51,000 graduates a year. According to a 2018 report conducted by the Ministry of Education Malaysia Graduate Tracer Research but one year after graduation around 60 percent stay unemployed.

According to Slamon J. (1999) in his book Economics (Fourth Edition), the unemployed are those who are not working even though they are in the age range of working people, but they are available to work at the current wage rate. Globally, the issue of unemployment follows a cycle of volatility like the world economy, and the two are

interrelated with each other. The problem of unemployment or inability to get a job equal to their qualifications is a problem that is frequently faced by the youth of today in relation to the present. Some graduates do not have the experience, skills and abilities that are sufficiently necessary for organizational needs, whereas graduate students spend two to four years trying to pursue a diploma or bachelor's degree. In this research, researchers want to study in more depth and find out the reasons why many university graduates in Pengkalan Chepa unemployed.

In conclusion, the unemployment among university graduates in Pengkalan Chepa should be investigated specifically since unemployment is a big issue in development of nation. In this study, the researchers an attempt is made to explore the unemployment among university graduate in Pengkalan Chepa, Kelantan located in the northeast of Peninsular Malaysia

1.3 Research Objectives.

The general and specific objectives underlying the current research are stated below.

1.3.1 General Objective

The research aims to explore unemployment among selected university graduates in Pengkalan Chepa, Kelantan.

1.3.2 The specific objectives are:

1. Identify the factors influencing unemployment among university graduates
2. To explore the effects of unemployment among university graduates
3. To explore the recommendations for reducing unemployment among university graduates.

1.4 Research questions

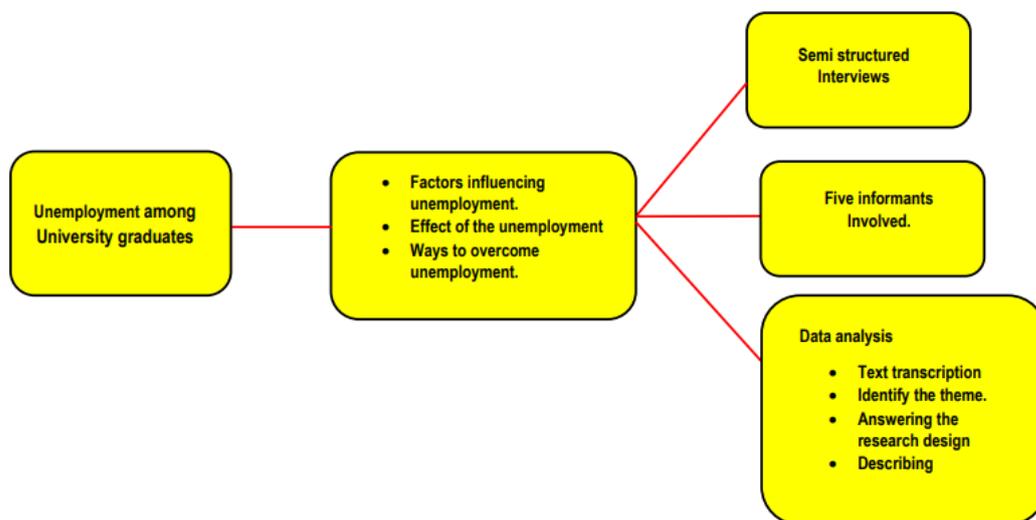
The research questions in this research are stated below.

RQ1: What are the factors influencing unemployment among university graduates in Pengkalan Chepa, Kelantan

RQ2: What are the effects of unemployment among university graduates in Pengkalan Chepa, Kelantan to government, community, and graduates?

RQ 3: What are the recommendations to reduce unemployment among university graduates in Pengkalan Chepa, Kelantan?

1.5 Research Framework



1.6 Definition of Terms

In research, the definitions of terms have divided into two categories which are the conceptual definition and operational definition. Based on Church (2005), conceptual the definition is a definition outlining the basic principles underlying terms and operational is a metric for quantifying something of interest.

Unemployment

Unemployment is a situation in which a person who belongs to the category does not have a job and is actively looking for a job.

Unemployed

Unemployed are those who do not work even if they are in the age range of the person who works they are still available to work according to the current wage rate.

Graduates

A person who has successfully pursued a course of study or training, especially a person who has earned his or her first bachelor or academic degree at a university.

Employability

Employment skills involve ability to work together, use knowledge to solve issues and adjust to the work environment.

University education

Universities provide training to equip students for careers in a variety of economic and cultural disciplines. University graduates may find work in research and design institutions, general education schools, secondary and tertiary special education institutions, and so on.

1.7 Significance of Study

This study is conducted to examine the factors leading to university graduates' unemployment after graduation. Due to the unemployment problems nowadays especially in Pengkalan Chepa, Kelantan, university graduates face challenges in searching job even low-paying work. Therefore, this graduate's unemployment study can help us to understand more about factors related to study.

This study carried out allow graduates to better understand the factor of unemployment that happen nowadays. Then, they can know what criteria of recruitment selection in some company. Moreover, the respondents in this study are working people at Pengkalan Chepa, Kelantan. This is because the study is to find what factor, effect of the problems and some recommendations in unemployment among university graduates. Thus, the informants can share their opinion and the work experience that they have.

The informants can allow provide information on hiring new employees, recruitments, and others. Therefore, this study not only benefit in current or future graduate, but it also helps the reader to understand more about that objective. This study attempts help to unemployed graduates know what they have and what should they practise and improve in getting a job.

1.8 Limitation of Study

There are several limitations will be encountered to accomplish this study. First, the informants were only free on weekends. This made it difficult to cover all possible questions of research in one day. Besides, the researcher has defined some limits to achieve the goal of the study in their analysis. The disadvantages of the research are those features of methodology that influenced or impaired the interpretation of the results from this study.

Often unfavourable conditions arise during interview, which can limit certain activities by the researchers. These constraints or limits are referred to as study limits. Each work has certain limitations and is not. A lot of planning changes during this study because of the COVID-19 pandemic. Because of COVID-19, this study could not accomplish according to schedule that had previously planned. In this study, has really do need to revise in out plans to interview informants in normal situations. The researcher modifies in plans by doing a semi structured interview instead of an interview via videocall or anything media social to make this study go well.

1.9 Chapter Summary

In conclusion, the fact unemployment graduates to get a job is important so that they get the same job with what the level of education and attributes they have. The background of study has been discussing by the researcher. In addition, the objectives of this research can help the respondent have a better understanding on what the researcher want to study in this research. This chapter is also to help the reader have an overall idea and readiness to move on to the next chapter (literature review) to better understand this study topic.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

The study of the relevant available research and non-research literature on the topic under study is an objective, detailed summary, and crucial analysis (Hart, 1998). In essence, a literature review seeks to update the reader with recent literature on the subject under consideration by collecting information on the subject that will be studied from numerous sources such as articles, books, and other sources relevant to this research topic. The aim of this chapter is to examine the literature and investigations concerned with unemployment among graduates in the private sector. In this chapter, there will be a four-part discussion on the theoretical, empirical, and practical aspects of the study.

2.1 Theoretical Discussion

Unemployment among graduates causes the unemployment rate in Malaysia to increase. This has affected the employability index of graduates to get jobs. In this study, the researcher has related to some theories related to unemployment among graduates. The first theory is the theory of Crow and Crow (1980). This theory is used by researchers to study the attitude of a graduate. Lester D. Crow and Alice Crow defines learning as a knowledge, attitude, and habit. Unemployment also occurs because graduates follow their interest in finding work. This statement is supported (Crow and Crow, 1980) where interest is what drives us to pay attention to people, things, and activities. For example, if a person is interested in the job despite having moderate abilities, they will be able to develop a strong interest and continue to strive to get it with consistent however if they are too following their interest in the world of work now, they will take a long and difficult time to get the job.

Other than that, the researcher used Herzberg motivation theory. This theory is involved because when graduates still do not get a job even after many years of graduation. They need motivation not to give up looking for job opportunities. Employability is a complex idea for evaluating and determining (Harvey, 2001; Sewell & Dacres Pool, 2010; Pegg, Waldock, Hendy-Isaac & Lawton, 2012). Researchers have also used the employability framework in this study. The purpose of using this framework is to explain in more detail the characteristics of the required ability involving various factors so that the unemployment rate of graduates can be reduced. Based on the theory, Becker (1964) notes that human capital has a great level of experience and skills of that will provide productive improvement in the national economy.

Figure 1 shows the relation between the individual's factor and market factor that affects the employability of the individuals. Graduates' employability is not only Described as the outcome of a graduate program or professional studies relevant to a discipline, but rather the ability of graduates to promote broader skills such as communicative, problem-solving, interactive skills, initiative-showing, and efficiency. In addition, employability also involves the attitude element and personal qualities of loyalty, commitment, honesty, timeliness, and integrity. Employability thus involves elements of the constructive behaviour of people, the mindset of personal management and the ability of career management as efforts to acquire the desired career (Clarke, 2008).

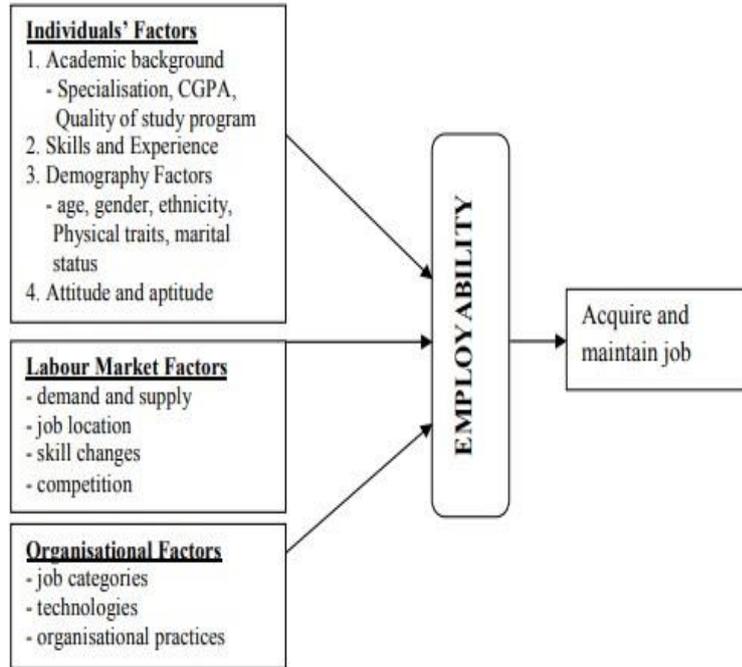


Figure 1: The relationship of individual factors, the labour market and organizations that affect employability.

Saterfiel and Maclarty (1995) state that employability can be referred to the skills required by graduates to acquire and maintain employment (in Litisha and Surina, 2010) by learning new skills. They can be used in all roles by employers or businesses when learning new things (Koo et al., 2009). Whereas according to Hillage and Pollard (1998), the ability to work is to have the ability to get the first job, continue to survive until you get a better job.

Harvey (2001) describes graduate work ability as the ability of graduates to show the characteristics employers need for potential organizational needs. Job skills are a set of personal achievements, understanding and attitudes or qualities that allow a person to get the job he or she wants and choose a career successfully. In general, job skills are elements of abilities, and students' knowledge needs to be equipped to meet the different job needs in the labour market after they graduate. Employability of students is an important pillar of higher education so that they can earn a living in the workplace. Issues related to graduate unemployment nowadays are very difficult to find such research.

This study is to analyse the problem when research is done to solve the online party hat to fill the gap, because the employment problem of graduates covers the rising unemployment rate and has a negative impact on the reputation of the university as an institution of higher learning. Problems related to graduate unemployment nowadays are very difficult to find in research due to lack of research. This study is to analyse the factors, problems, recommendations involved in unemployment among university graduates.

Other than that, The Career EDGE model is a model that highlights what are considered the most relevant. Employment factors include professional development, experience, knowledge, skills and comprehension, general and emotional skills. This is linked because researchers see from the perspective that when a graduate does not get a job, it is possible that they lack the necessary criteria as stated in this model. In the sense of Higher Education, career development learning has been defined as a model to help graduates acquire knowledge, skills, and attitudes.

In fact, this model will also equip graduates to manage their careers, in terms of their progress throughout their studies and lifetime of work (Watts, 2006, p. 2). While studying at university, graduates have learned the choice of 'get a job' skills, such as writing an effective CV, completing a job application, or attending an interview. This element is told to make it easier for graduates to get a job. Support and guidance to graduates that enable them to develop self-awareness, who they are and what they want in their future lives and to consider what job opportunities they can apply for at home or abroad.