

**IEBMC 2019**  
**9th International Economics and Business Management Conference**

**DO SOFT SKILLS REALLY MATTER?**

Maizatul Akmar Mohd Rasli (a)\*, Fadhilah Abdul Ghani (b), Nurul Huda Ahmad Razali (c),  
Siti Fara Fadila Abd Razak (d) Mohd Zulkeflee Abd Razak (d), Fadzilah Embong (d), Nor  
Sofiza Abu Salleh (d), Raja Siti Nurhidayah Raja Idris and (d), Suraya Mat Rani (d)

\*Corresponding author

(a) College of Business Management and Accounting, Universiti Tenaga Nasional, Muadzam Shah, Pahang,  
Malaysia, Maizatul@uniten.edu.my

(b) College of Business Management and Accounting, Universiti Tenaga Nasional, Muadzam Shah, Pahang,  
Malaysia, AFadhilah@uniten.edu.my

(c) College of Business Management and Accounting, Universiti Tenaga Nasional, Muadzam Shah, Pahang,  
Malaysia, Huda@uniten.edu.my

(d) Faculty of Business, DRB-Hicom University of Automotive Malaysia

***Abstract***

The mismatch between employer demand and supply of students by university on soft skill needed become main issue of the employability. Employers worry that fresh university graduates do not own the required soft-skills to shift into entry level positions. Educators are requested by employers and policy makers to deliver lessons which would grow students' skills. But, different industries need different soft skills that should be focused by educators as well as employers. So, this paper will study an overview of soft skill needed by the employer in Malaysia. Results show that Malaysia Education Blueprint 2013-2025 has reshaped the higher education system in Malaysia which focuses the balance between both ethics and morality (akhlak) beside with knowledge and skills (ilmu). Malaysia is in a stage preparing for industry revolution 4.0 and to align with the focus, Education 4.0 is needed. This is to make sure that the higher institutions are ready to equipped students with all skills and ready for IR 4.0. In dealing with machines and technology, the elements of soft skill are critical. That is why, soft skill is really a matters to current situation.

2357-1330 © 2020 Published by European Publisher.

**Keywords:** Soft skill, employer, internship, educator, employability.

## 1. Introduction

In the phase of globalization and technology, once the world is changing fast, the society demands for young generation of citizens to be capable of working in a type of environment characterized by density and diversity (Rongraung et al., 2014). The enhancement of skills appropriately and gradually according to the direction by world of society is the main focus by each of business association to make sure their staff is well prepared with all needed skills. Regardless of the practical skills for professions, it expressively requires numerous soft skills including communication and cooperative skills, problem solving skills, or behaviour skills which are compulsory to be acquired in order to apply technical skills and knowledge at a place of work (Weber et al., 2009). Hard skills are explained that they are methods or managing the work which can be well-educated and trained clearly and can be measured and dignified. In contrast, soft skills are skills which encompass the relationship between a people and community that are often developed through personal involvement and reflection. Dixon et al. (2010) was mentioned, 21st century people are required to develop their soft skill properly when several organizations always looking forward the relationship between soft skills of the staff and the overall successfulness of the institution in result of significance.

In the relation to this matter, the education system now days is facing with a complex task of educating students and graduates with competent skills and knowledge in order to negotiating the labour markets. According to Chatterton & Goddard (2000), education institutions are generating crucial assets for every countries thus the urgent need for appropriate educational reform is not only necessary but important. Despite of that, through Ministry of Higher Education, Malaysian government has been aggressively encouraging the soft skill among all Malaysian students to be well prepared to enter their working environment after graduating. Malaysia's policy initiative that began approximately in the middle of the last decade, Ministry of Higher Education, Malaysia, 2006 has revealed through many studies which have been conducted on 'soft skills' where the discourse of soft skilling among the Malaysian undergraduates being highly emphasized and it became more prominent in Malaysia (Adnan et al., 2014).

## 2. Problem Statement

In the recent year, the quantity of graduates has become bigger; managers favour their workers to have extra talents including high "professionalism" and "sociological" traits. Employers currently are not only considering for workforces who are master at "technical abilities" but the employers want workers with extra abilities and talents such as "communication abilities", both verbal and written, self-discipline, interpersonal abilities, group work expertise, problem-solving abilities, thinking abilities, technology expertise, continuous learning and a constructive work ethic (Raftopoulos et al., 2009; Raybould & Sheedy, 2005). Furthermore, non-technical abilities such as fundamentals abilities have turn out to be a main component that is desired by managers, and graduates need to consider these points to enter on any profession (McQuaid & Lindsay, 2005). This was proven when several jobless graduates identified that they looked-for extra preparation platform to improve their soft abilities comprising lifelong learning abilities, professional ethics and morality, English language abilities, ICT abilities, career growth, interpersonal abilities and entrepreneurial abilities (Pineteh, 2012).

Now days, each of new graduate needs employability talents to excel and employer will call for fresh graduates to show their mastery level of employability abilities such as communication abilities, collaboration abilities, problem solving and decision making abilities. They desired the freshly graduates be capable to have knowledge to solve real-life issues. Therefore, higher institution provider must to guarantee that entirely graduates are capable to excel in work and life in this different period of the universal economy (Zaharim et al., 2012).

Besides that, concerning is whether the Malaysian Higher Learning Institutes (HLIs) are proficient of equipping university students with such abilities, talents and expertise. This query is surely not a unimportant one, cautiously at least, given the prodigious number of graduates created each year by Malaysian public and private institutions identically that has touched as many as over 100,000 graduates per year (Agus et al., 2011). Topmost, the more nerve-racking movement is the growing quantity of jobless graduates as revealed by information gathered by the Ministry of Higher Education (MoHE) that disclose that out of 155, 278 graduates, only 45% were hired in 2009 (Ministry of Human Resource, 2009). Even recently as late 2011, 40,000 graduates continued unemployed, requiring opting to part-time, freelance, and odd jobs (Singh et al., 2014).

Hence, soft abilities are amongst the abilities that are essential in enhancing the development of self-employment graduates to fulfil the requirements in Malaysia as well as internationally. Absence of dominance about soft skills elements will result in a growth of total figure of jobless graduates.

### **3. Research Questions**

The research questions for this study are as follow:

1. What are the types of skills?
2. What are the Malaysian government initiatives in upgrading students' skills?
3. What are the elements focused in Malaysia Higher Education?

### **4. Purpose of the Study**

The purpose of this study is to identify the types of skills include soft skills and hard skills and the Malaysian government initiatives in upgrading students' skills in preparing for their work life and elements focused in Malaysia Higher Education

### **5. Research Methods**

This general review study uses secondary sources that include published literature such as research articles, conference papers, books, dissertation and already published research work.

### **6. Findings**

#### **6.1. Types of Skills**

“Soft Skills” as personal qualities, attributes or the level of commitment of a person that sets him or her apart from other individuals who may have similar education and experience (Perreault, 2004). Besides

that, “soft skills” are a new way to describe a set of abilities that an individual can bring to the workplace, including career attributes such as “team skills”, “communication skills”, “leadership skills”, “customer service skills” and “problem solving skills”, James and James (2004).

Sutton (2002) said that “soft skills” are so important that all employers identify them as the number one differentiator for job applications in all types of industries, which is consistent across research in Canada, the USA, Australia and the European Union. In the Canadian context, “soft skills” are generally understood to include “writing skills”, “oral communication skills”, “presentation skills”, “interpersonal skills”, priority and goal setting, and “lifelong learning skills” (Canadian Chamber of Commerce, 2014), as differentiated from “hard skills” such as “technical skills”.

Key “soft skills” for graduates include “leadership skills”, “critical thinking and problem solving skills”, “information management skills”, and “entrepreneurship skills” (Kee et al., 2012).

Despite the same characteristics in discovering the definition of “soft skills” in the previous research and study, there is little agreement on the component of the “soft skills”. Many of them agreed that it is contrast to hard skills as it is a special personality traits that will help a person and a graduate to success in their career or development and make them a good employee (Andrews & Higson, 2008; Bancino & Zevalkink, 2007; Heckman & Kautz, 2012).

Some researcher mentioned soft skills are referred as the “professional skills” (Environics Research Group, 2014), while Badcock et al. (2010) describe it as “generic skills”. In 2013, The Conference Board of Canada referred it as “essential skills”. Stated that soft skills as one of the the “building blocks” in the nine vital skills such as reading, writing, document use, communication, working with others people, thinking skills and continuous learning the Human Resources and Skills Development Canada suggest that all these soft skills are necessary and very important for professional and career development.

Hard skills are valuable in an exact area of activity. But, the soft skills are beneficial in all areas of activity. There is a boundary to hard skills but not for soft skills. Also, soft skills are valuable not only in professional life but also in personal and social life. Though, hard skills can be applied at the work alone thus restricting the scope for hard skills. Hard skills may get invalid over a period of time due to the technology shifting. But soft skills stay continually. Moreover, the significance of soft skills will rise due to the emergent of complexity as people must dealt with a lot of attention and caution to sure the tasks completed effectively and efficiently.

Soft Skills provide Hard Skills the vital flexibility to grow and keep current in shifting situations. Hard Skills permit people to become whatever he is. Soft Skills work in a track that is rather detached from the role of the individual and go afar the firm demands of the career (Grisi, 2014).

## **6.2. Malaysian Government Initiatives**

In Malaysia, realizing the importance of having soft skills for the future workforce, the government had identified seven types of talent skills that must be accomplished by Malaysia graduates as highlighted in the “Soft Skills Development Module for Higher Learning Institution Malaysia” in 2006. These essentials skill are “leadership skills, critical thinking and problem solving skills, communication skills, lifelong learning and information literacy, team working skills, professional ethics and morality and entrepreneurship skills”. All these talents are required as job readiness skills or employability skills

demanded by the industry. Entrepreneurship skills, good personal attitudes, great thinking skills, and good workplace competencies are four vital skills needed by Malaysian local industries summarize by Jamaludin et al. (2019) in their recent study on employability skills from the Malaysia's employer perspective.

In Eleventh Malaysia Plan 2016-2020 and Malaysia Education Blueprint 2013-2025 Malaysia government have come with more clear plan to fill these gap demand by industries such as prepare the future human workforce with set of skills such as good emotional intelligence, innovation and creativity, talent management, systematic problem solving and analytical thinking. These skills are in line with the World Economic Forum Future of Jobs in 2018 mentioned that all mentioned above are among the important skills required in the workplace. Malaysia universities keep on focus developing their curriculum to meet the demand by the industry. Teng et al. (2019) in his study shown that the curriculum designed in Malaysian universities were really helped in developing student soft skills and has significant impact in supporting the relationship between student readiness for work and soft skills.

In terms of financing, Malaysia budget 2019 allocated that Ministry of Education received the largest recipient of funds valued RM60.2 billion or 19.1% from the entire allocated budget to be spent on education where 30 million go to raised up the Technical Vocational Education and Training (TVET). The intention is to come out with more encouraging and support environment to the entire human management development in Malaysia such as providing a comprehensive programme, upgrade the training session and facilities in order to meet the current demand from the local industry. Study done by Jabarullah and Hussain (2019) show that programme based learning (PBL) implemented in most of Higher Technical and Vocational Education and Training (HTVET) evidence in improving students' performance. Supported by Deep et al. (2019) in their study which shown that there are significant impact of programme based learning on improving students' soft skills and increasing group learning activities, including reduce the communication conflicts. Willingness to allocate some huge amount of budget on this area clearly shown how serious is Malaysia government in enhancing their future human workforce.

### **6.3. Malaysia Higher Education**

Malaysia Education Blueprint 2013-2025 has reshaped the higher education system in Malaysia which focuses the balance between both ethics and morality (*akhlak*) beside with knowledge and skills (*ilmu*) as shown in Figure 01.

The focus is on the three main points in ethics and morality. First is about ethics and spirituality which refers to a good quality of students in moral and self-development. Second point is leadership skills which show the quality of students in intellectual level, being socially responsible, confident, and able to communicate well. Third point is about national identity where students are expected to be proud of being Malaysian and understand well about the country's relation with the world.



Source from: Malaysia Education Blueprint 2013-2025

**Figure 01.** Focus on Redesign Malaysian Higher Education System

While, for knowledge and skills it also refer to three main parts which are language proficiency, thinking skills, and knowledge itself. Language proficiency point refers to mastering Bahasa Melayu and English in order to ease the information retrieval since most of sources of knowledge are written in English. Yet, the MoE recommends students to gain one other global language. Second is thinking skills, refers to the significance of possess critical and innovative thinking, and entrepreneurial mind set. Whereas third is knowledge where students are expected to understand well the field they studied, able to utilize and apply the knowledge on solving problem in real world.

In redesigning higher education system in Malaysia, there are some programs and technologies involved such as CEO@Faculty, 2u2i, and MOOC. The main objective of this program is to bridging the gap between industry and academic with the outcome that the university students are equipped and know well the industrial area. This program expose the student with the real life business and industry world where students are require to enrol for industrial training longer period especially for 2u2i program. Here, the use of technology is very important which MOOC and other university's learning platform such as Moodle, will be widely used. It will support the students and lecturers to gather and share the materials needed in the learning process. By using technology, it will reduce the dependency of hard copy materials (Maria et al., 2018).

By referring to the MoE blueprint it stated the 10 shifts in continuing to improve the higher-level education in Malaysia as shown in Figure 02. The first 4 shifts are focused on the outcome while the other 6 are act as enablers. This 10 shifts program stated by MoHE describes the key points of what to achieve in redesigning the higher education. It is not only focused on the teacher and learners but also on the other factors involved in the learning process. It is believed to be a program which will make Malaysia higher education system could meet the needs in the Education 4.0 era.



Source from: Malaysia Education Blueprint 2013-2025

**Figure 02.** 10 Shifts in MoHE Blueprint

## 7. Conclusion

Malaysia is in a stage preparing for industry revolution 4.0 and to align with the focus, Education 4.0 is needed. This is to make sure that the higher institutions are ready to equipped students with all skills and ready for IR 4.0. In dealing with machines and technology, the elements of soft skill are critical. That is why, soft skill is really a matters to current situation.

## Acknowledgments

The authors would like to express our deepest gratitude to all members who have involved in this research directly and indirectly. Thanks to Universiti Tenaga Nasional (UNITEN), iRMC for awarding BOLD Grand 2025 to fund this study

## References

- Adnan, A. H. M., Ramalingam, S., Ilias, N., & Tahir, T. M. (2014). Acquiring and Practicing Soft Skills: A survey of technical-technological undergraduates at a Malaysian tertiary institution. *Procedia-Social and Behavioral Sciences*, 123, 82-89.
- Agus, A., Awang, A. H., Yussof, I., & Mohamed Makhbul, Z. K. (2011). The gap analysis of graduate employees' work skills in Malaysia. *Proceedings of Business and Information*, 8, 15.
- Andrews, J., & Higson, H. (2008). Graduate employability, 'soft skills' versus 'hard' business knowledge: A European study. *Higher education in Europe*, 33(4), 411-422.
- Badcock, P. B., Pattison, P. E., & Harris, K. L. (2010). Developing generic skills through university study: a study of arts, science and engineering in Australia. *Higher Education*, 60(4), 441-458.

- Bancino, R., & Zevalkink, C. (2007). Soft Skills: The New Curriculum for Hard-Core Technical Professionals. *Techniques: Connecting Education and Careers (JI)*, 82(5), 20-22.
- Canadian Chamber of Commerce. (2014). A battle we can't afford to lose: getting young Canadians from education to employment.
- Chatterton, P., & Goddard, J. (2000). The response of higher education institutions to regional needs. *European Journal of Education*, 35(4), 475-496.
- Deep, S., Salleh, B. M., & Othman, H. (2019). Improving the soft skills of engineering undergraduates in Malaysia through problem-based approaches and e-learning applications. *Higher Education, Skills and Work-Based Learning*, 9(4), 662-676.
- Dixon, J., Belnap, C., Albrecht, C., & Lee, K. (2010). The importance of soft skills. *Corporate finance review*, 14(6), 35.
- EnviroNics Research Group. (2014). Career Development in the Canadian Workplace: National Business Survey – CERIC. Retrieved on 5 July, 2019 from <http://ceric.ca/career-development-in-the-canadian-workplace-nationalbusinesssurvey>
- Grisi, C. G. A. (2014). Soft Skills: a close link between enterprises and ethics. In Speech at “Soft Skills and their role in employability–New perspectives in teaching, assessment and certification”, workshop in Bertinoro, FC, Italy.
- Heckman, J. J., & Kautz, T. (2012). Hard evidence on soft skills. *Labour economics*, 19(4), 451-464.
- Jabarullah, N. H., & Hussain, H. I. (2019). The effectiveness of problem-based learning in technical and vocational education in Malaysia. *Education+ Training*.
- Jamaludin, K. A., Alias, N., DeWitt, D., & Razzaq, A. R. (2019). Framework for technical communication skills content development for students in Malaysian vocational colleges: A fuzzy delphi study. *Journal of Technical Education and Training*, 11(4).
- James, R. F., & James, M. L. (2004). Teaching career and technical skills in a "mini" business world. In *Business Education Forum* (Vol. 59, pp. 39-41). National Business Education Association.
- Kee, C. P., Ahmad, F., Ibrahim, F., & Nie, K. S. (2012). Correlating graduate marketability dimensions with the measurements of university-student relationship. *Asian Social Science*, 8(6), 63.
- Maria, M., Shahbodin, F., & Pee, N. C. (2018). Malaysian higher education system towards industry 4.0–current trends overview. In *AIP Conference Proceedings* (Vol. 2016, No. 1, p. 020081). AIP Publishing LLC. <https://doi.org/10.1063/1.5055483>
- McQuaid, R. W., & Lindsay, C. (2005). The concept of employability. *Urban studies*, 42(2), 197-219.
- Ministry of Human Resource. (2009) Selected Social Statistics, Series 10. Ministry of Human Resource Social Statistics Series, 10, 1-12. Putrajaya, Malaysia.
- Perreault, H. (2004), Business educators can take a leadership role in character education. *Business Education Forum*, 59(1), 23-24.
- Pineteh, E. A. (2012). Using virtual interactions to enhance the teaching of communication skills to information technology students. *British Journal of Educational Technology*, 43(1), 85-96.
- Raftopoulos, M., Coetzee, S., & Visser, D. (2009). Work-readiness skills in the Fasset Sector. *SA Journal of Human Resource Management*, 7(1), 8.
- Raybould, J., & Sheedy, V. (2005). Are graduates equipped with the right skills in the employability stakes? *Industrial and commercial training*, 37(5), 259-263. <https://doi.org/10.1108/00197850510609694>
- Rongraung, S., Somprach, K., Khanthapa, J., & Sitthisomjin, J. (2014). Soft Skill for private Basic Education Schools in Thailand. *Procedia - Social and Behavioral Sciences* 112, 956-961. <https://doi.org/10.1016/j.sbspro.2014.01.1254>
- Singh, P., Thambusamy, R. X., & Ramly, M. A. (2014). Fit or Unfit? Perspectives of Employers and University Instructors of Graduates' Generic Skills. *Procedia - Social and Behavioral Sciences* 123, 315-324. <https://doi.org/10.1016/j.sbspro.2014.01.1429>
- Sutton, N. (2002). Why can't we all just get along? *Computing Canada*, 28(16), 20.
- Teng, W., Ma, C., Pahlevansharif, S., & Turner, J. J. (2019). Graduate readiness for the employment market of the 4th industrial revolution: The development of soft employability skills. *Education+ Training*, 61(5), 590-604. <https://doi.org/10.1108/ET-07-2018-0154>



Weber, M. R., Finley, D. A., Crawford, A., & Rivera, D. Jr. (2009). An exploratory study identifying soft skill competencies in entry-level managers. *Tourism and hospitality Research*, 9(4), 353-361.

Zaharim, A., Ahmad, I., Yusoff, Y. M., Omar, M. Z., & Basri, H. (2012). Evaluating the soft skills performed by applicants of Malaysian engineers. *Procedia-social and behavioral sciences*, 60, 522-528. <https://doi.org/10.1016/j.sbspro.2012.09.417>