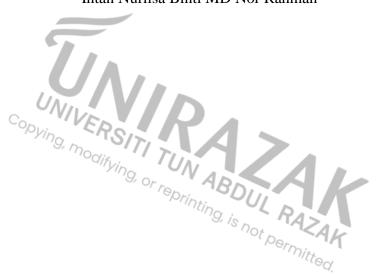External Factors Influencing Unemployment among Fresh Graduates

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Research Project Submitted in Partial Fulfillment of the Requirements

for the Master of Business Administration

Universiti Tun Abdul Razak

June 2023

DECLARATION

I hereby declare that the case study is based on my original work except for quotations and citations that have been duly acknowledged. I also declare it has not been previously or concurrently submitted for any other Master's Degree at Universiti Tun Abdul Razak (UNIRAZAK) or other institution.

Signature   :

Name   : Intan Nurlisa Binti MD Nor Rahman

Datw   :

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Abstract of the project paper submitted to the Senate of Universiti Tun Abdul Razak in partial fulfilment of the requirements for the Master of Business Administration

External Factors Influencing Unemployment among Fresh Graduates

By

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June 2023

Unemployment among fresh graduates is a worrying issue that happen in Malaysia. The continuous upward trend shows that this is a problem that need to be solved. Previous research mostly focusses on candidate attributes in linking them to unemployment. However, the uncontrollable factor for fresh graduate needs to be addressed. This study will be carried out to find whether job creation and competition which are aspect of labor market as well as organizational technology and employer's preference, which are aspect of organizational factor plays a role in contributing to the unemployment among fresh graduates. The sample of this study is 393 human resource executives around Klang Valley. Mean data is used as a form of data analysis in answering the hypothesis. It is hypothesized that job creation, competition, organizational technology and employer's preference has a significant effect on unemployment among fresh graduates. SPSS is used for Reliability Test and Normality Test. The finding of this study is crucial in lessen the blame put on fresh graduates and open many eyes especially from government and companies to make some effort in offering more job as well as revising their organizational practices. The result shows that respondents agreed that job creation, competition, technology usage and employer's preference do influence the unemployment among fresh graduates. Implications and limitation of the study are discussed while suggestion for future research have been given as well.

CHAPTER 1
INTRODUCTION

1. 1 Research Background

Unemployment refers to the state of individual who wants to work but have not able to find a job (Unemployment, 2022). Unemployment is an issue that is never welcome but always there in every country. Regardless of rich or poor country, there is always a part of the society that are unemployed (Razak et al., 2014). This issue is something that each country must tackle because unemployment will contribute to bigger problems for the society as well as nation. For example, unemployment can cause stress will lead to depression. Then, this can lead to bigger problem such as suicide, drug abuse, theft, robbery, and others. This can harm the nation as harmonious society that lead to positive returns for the country will not be achieved.

Malaysia is a rapid developing country. However, since 2019, unemployment rate in Malaysia has shown an upward pattern. The unemployment rate for 2019 is 3.26%, 4.50% for 2020 and 4.61% for 2021 (Malaysia unemployment rate 1991-2023, n.d). Research has found out that there is high percentage of youth in the unemployment statistic (More than 1.7 million foreign workers in Malaysia; majority from …, 2017). Minister of Higher Education has clarified that in 2012, a quarter of graduates have not able to secure a job after graduation and 1/5 of degree holder under the age of 25 are unemployed. This mostly includes graduates from Social Science study, Law, Engineering, Manufacturing, Construction, and others (Razak et al., 2014). This shows that there is a worrying issue regarding unemployment among fresh graduate that need to be solved.

The numbers of graduates have been increasing as universities, college and other educational institute has been doing a great job in marketing and offering programs, certification, and others for students in pursuing their study. However, the number of graduates each year exceed the number of jobs offered (Graduates statistics 2019, 2023). This has caused an oversupply of fresh graduates where some of them will become unemployed.

1.2 Problem Statement

The study about factors that lead to unemployment among fresh graduate have been done by numerous researchers. A study by Hanapi and Nordin (2013) has found that lack of excellence among fresh graduates is one of major factors that lead to unemployment. They also found that international graduates have higher chance in employment compared to local graduates. This shows some problems in hiring process where fresh graduates are assumed or stereotyped based on their previous study institute. Hiring managers have different set of perception with the graduates which left many local graduates to be unemployed.

Moreover, study by McGunagle and Zizka (2020) found that some factors are contributing to the unemployment of fresh graduates which are lack of skills in term of communication, English proficiency, they are too choosy and they demand for high salary. Lack of skills especially in communication skills act as a big barrier for a fresh graduate to be employed. This is because most job position needs someone who can deliver message clearly especially in customer service department. However, amount of job creation also holds a big part in causing unemployment. Ministry of Economy has tracked the number of graduates for each year. In 2020 only, there are 5.36 graduates where 4.4% are unemployed. This indicates that there are 202,400 unemployed graduates (Department Of Statistics Malaysia, 2022). This shows the big supply of fresh graduate in one year where job available might not be able to cater the demand..

Even though fresh graduates are often blamed for unemployment, some of other uncontrollable factors are also contributing to it. However, there is very limited research that investigate factors that contribute to unemployment among fresh graduate apart from individual factors such as lack of skills, too choosy and demand for high salary. So, this research proposal seeks to find the external cause of unemployment among fresh graduates. This research chooses to study whether two big factors which are labor market condition and organizational practices leads to unemployment among fresh graduates. However, this study focus on two aspects in each factor which are job creation and competition under labor market condition and organizational technology and employer's preference under organizational practices.

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1.3 Research Objectives

The objectives of this research are stated as followed:

1) To study the influence of job creation on unemployment among fresh graduates.
2) To study the influence of competition on unemployment among fresh graduates.
3) To study the influence of organizational technology on unemployment among fresh graduates.
4) To study the influence of employer's preference on unemployment among fresh graduates.

1.4 Research Questions

Based on the research objectives above, the factors that lead to unemployment can be verified by answering the proposed research questions as follows:

1. What is the relationship of job creation and unemployment among fresh graduates?
2. What is the relationship of competition and unemployment among fresh graduates?
3. What is the relationship of organizational technology and unemployment among fresh graduates?
4. What is the relationship of employer's preference and unemployment among fresh graduates?

1.5 Significance Of Study

External factors that are aside from individual factors of graduates that lead to unemployment are important to be addressed. This is because too much blamed are put on the fresh graduates that are unemployed. Two big factors that need to be clarified are labor market condition and organizational practices. These factors are uncontrollable by fresh graduates. Even though they build their skills, choose job that are available without being choosy and demand a fair salary, if labor market condition is not favourable as in there is not enough job opportunity and too much competition, they will still be unemployed. Same goes to organizational practices. Technological aspect of the company can affect number of employees needed. Moreover, hiring managers for each company has a set of standards for who they want to hire. Some criteria such as "2 years experiences" can make hiring managers to not choose fresh graduates for the job vacancy.

Studying these factors can open many eyes especially from government and private institution to make changes or put an effort on their side to reduce unemployment that occur in our country. If job creation was found as big factor leads to unemployment, government may provide subsidies for private companies to open more job vacancy. On the other hand, hiring criteria for the company can be revised in order to prevent any bias and glitch in the system.

The outcome of this study is important not only for fresh graduates but for the country. If more jobs are offered and much lenient criteria are offered, the economic growth of the country will become healthy (3 benefits of job creation, 2019). Thus, this will reduce poverty as citizen's living standard will increase. People will have more purchasing power. They will be able to provide for their children and have more money to spend. This will benefit the economic growth.

1.6 The Organization Of The Study

This research proposal contained five chapters which are introduction, literature review, research methodology, data analysis and discussion. Below is the description for each chapter.

Chapter one is the introduction. Introduction provides the bbackground of the sstudy which is the factors influencing unemployment among fresh graduates. Then, Chapter one discussed the problem statement, research objectives, research questions, significance of the study and the organization of the study.

Chapter two consists of literature review of prior study to gain an understanding regarding the factors influencing unemployment among fresh graduates through the finding of past studies. The conceptualization of labor market and organizatonal practices are recognized. Additionally, discussion on job creation, competition in the market, organizational technology and employee preference will be further identified based on previous findings. Based on the knowledge of previous research, the conceptual framework will be developed. Next, the relationship between job creation, competition in the labor market, organizational technology, employee preference and unemployment among fresh graduates will be hypothesized. Chapter two will be close with a summary of the whole chapter.

Chapter three represents research design, study population and sampling procedures, data collection method, operationalisation and measurement of independent variables and dependent variable. Next, data analysis techniques will be discussed and ended with a summary for whole chapter.

Chapter 4 involves data analysis which includes descriptives analysis of demographic profiles such as respondents' gender, race, age, and highest qualification. Next reliability test, normality test and hypothesis analysis were done.

Last chapter includes discussion on hypothesis, implications, limitations of the study as well as recommendation for future research.

CHAPTER 2
LITERATURE REVIEW

2.1 Introduction

This chapter aims to review previous research and provide theoretical framework for the study. Firstly, underlying theory of labor market condition and organizational factors will be discussed. Next, findings of previous research will be discussed involving job creation, competition in labor market, organizational technology, and employer's preference. Then, conceptual framework will be developed followed by variables identification and hypothesis development.

2.2 Theoretical Foundation

2.2.1 Labor Market

Labor market is also identified as job market. This refers to the demand and supply of labor. Specifically, employees provide supply and employers provide the demand (Kenton, 2022). Labor market is a major component of economy and it closely related to market for capital, goods and services. Labor market can be better understood through macroeconomic and microeconomic level. At macroeconomic level, supply and demand of labor are influenced by few factors such as education level, age of population as well as immigration.

For microeconomic level, hiring, firing, raising, and cutting wages are aspects of labor. The supply and demand for this level influences working hours, salary as well as benefits given to employee. The relationship between labor market and unemployment can be seen through the supply and demand of job. Unemployment can occur when supply outpaces demand. This can cause less pressure on wages where worker compete for limited number of jobs and employers have the benefit of choosing their labor force. This shows the importance of studying about job creation and competition among graduates in influencing unemployment among them.

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2.1.2 Organizational factors

In this context, organizational factors refer to elements that influenced how the organization operates. In simpler words, it is things within the organization. This includes formal management system, working practices, leadership tree, assurance process, risk awareness, safety culture, hiring standard and others. These elements are important in shaping the organization towards its objectives and goals.

Organizational factor is also a reason behind unemployment among fresh graduates. This is because how the company works affect how it interact with outside world. In this case, fresh graduates. Company who believes in development of skills among fresh graduates will hire them despite of their lack of skills. However, organization that put importance on knowledge and experience especially when it is closely related on how the business operate, will not hire a fresh graduate.

For example, companies with the use of high tech and advanced machinery or equipment. Giving training to fresh graduates in handling the equipment are costly and risky. Thus, more experienced workers are preferred. This led to the hiring standard that being set by employee. This standard that being set because of organizational factors will affect unemployment among fresh graduates. So, in empirical research, two most important aspect in organizational factor which is organisational technology and employer's preference will be discussed.

2.3 Empirical Research

2.3.1 Job creation

Job creation refers to process of providing new job for people who are searching for a job or new job. Unemployment among fresh graduates can be caused by the lack of job creation. Every graduate expected a job upon graduation however there are many factors that lead to lack of job creation. For example, economic instability. For example, as world is facing Covid-19, most of economic aspect were injured. Lockdown happened where no businesses are allowed to operate. This has caused businesses to face financial difficulties were some of them collapsed. Even after the lockdown ended, businesses might not have the financial capability to open vacancy as they need to heal from the business injuring caused by lockdown.

Pettinger (2020) agreed to this by saying that Covid-19 is one of factors apart from interest rate fluctuation, commodity price swings and other factors that contribute to economic uncertainty. This situation lowered country's productivity and slowed down national development which resulting in job losses. As people lose job, it is certain that job creation is retarded. This has contributed to the unemployment among fresh graduates. Hossain et al. (2018) also emphasized that graduates are influenced by market changes. Uncertainty in labor market contributes to the capacity of employment opportunities. In simpler word, labor market condition determined the amount of job creation.

Study by Lee et al. (2019) has found that in 2018, 15,592 jobs were advertised through Jobstreet.com. Sales and marketing position holds 7,237 job opportunity followed by 5,122 job opportunity for accounting position and 3,223 for admin and human resource position. These job opportunities only target sales and marketing graduates, accounting graduates as well as human resource graduates. While there are many other graduates with different study background is searching for job and left with unemployment. In addition, location of job opportunity is also one of the factors contributing to unemployment among fresh graduates. Research also found that 70% of job openings in Malaysia centred on Selangor and Kuala Lumpur. This cause mobility problem to graduates who stays in rural area (Lee et al., 2019).

2.3.2 Competition

Competition is one of the aspects underlying in labor market. Competition in this context refers to competition between fresh graduate in securing a job. In recent years, education industry is blooming. There is a great expansion in higher education. There are many educational institutions being built to offer students with multiple options in pursuing their study. These institutions compete through marketing strategies in attracting student to choose them in pursuing their study. There are at least 20 public universities and 50 private universities in Malaysia followed by 34 university colleges and 10 foreign branch campus (StudyMalaysia.com, 2022). Resulting to these, the number of graduates is at least 5.36 million persons in 2021 alone (Department of Statistics Malaysia Official Portal – DOSM, 2022). This shows that there is a huge number of graduates that are competing in finding a job.

Hwang (2017) agreed that students who want to secure a job after graduation do face unemployment issues because of competition among graduates. This competition causing the attributes of graduates to be a higher determinant to their employability. As competition increase the demand for labor, employers will be picky and narrowed their search for specific ability or skills that they need in hiring a worker. Low et al. (2016) found that employers require some fundamental skills that must be met to successfully hire a graduate. This rigid narrowness might have come from the high number of applicants for the job position.

Besides, foreign worker is also a factor contributing to competition. Foreign worker stands as a competitor for local graduates. According to Hossain et al. (2018). foreign workers are brought into Malaysia because of huge demand in skilled jobs. As for December 2022, there is at least 1.45 million foreign workers in Malaysia holding Temporary Work Visit Passes. Most of them are in construction sector followed by service sector (1.45 million foreign workers approved and working in Malaysia 2023). This includes foreign worker from Indonesia, Nepal, Bangladesh, Myanmar, India and other country. Research also found that some industry especially construction prefers immigrant workers (Abdul-Rahman et al., 2012). This is one of the ways to reduce cost. Companies with developed economies hire worker from less developed

economies can save money. Part of this cost reduction is related to advantageous conversion rate between strong and weak currencies.

2.3.3 Organizational Technology

In this research, organizational technology refers to level of technological advancement in the company. Technology usage is common in any organization, but some organization used advanced technological equipment. The difference in technological usage in organizations can be caused by several factors such as the type of industry that they are in, the needs for technological equipment and most importantly the financial ability of the organization. For instance, advanced technological equipment is used by electronic and electrical companies as well as some other companies. Organization that is more service based such as food and beverage industry use less technological equipment.

According to Tengku Kamarul Bahrim (2019), most companies especially that involves factory choose to machines compared to human capital because this can decrease the cause of paying the worker but at the same time increasing their productivity. This is because machine have no break and offers less error. Less error also refers to less cost. Mutascu (2021) also agreed with this as they found that the use of artificial intelligence which is one form of technological advancement in organization can cause the less of need in human capital as it can be performed by artificial intelligence itself.

Agrawal et al. (2019) also conclude that human and machines enter the production line for the same purposes. Thus, they are perfect substitute. The author also found a singularity point where machine will fully replace human labor. This will definitely contribute to the unemployment among fresh graduates. Study by Mutascu and Hegerty (2023) who use artificial neural network learning process to forecast unemployment based on the usage of technological advancement found that artificial intelligence is a big factor in predicting unemployment. Similarly, this finding can be generalized to fresh graduates as well.

2.3.4 Employer's preference

Organizational factors can also be focus to employer's preference. Employer's preference is one of factor that determine hiring standards that being used to measure candidates on whether they are capable to hold certain positions. The differences in the standard that being set by each company might affect unemployment rate. Employer demands some specific quality from the candidates for them to be recruited into the company.

Study by Amen (2014) found that employers hired graduates based on some criteria such as CGPA, gender, age, culture, and race. This criterion is closely related to stereotype and bias in hiring process. Study found that employer has a specific preference in hiring because they have little confidence on fresh graduate's ability, and they think some of them might not be a best performer in the organization (Mulders, 2019). This caused employer to select fresh graduates with the highest CGPA.

Besides, some employers use age as a preference in hiring process. Employers perceive young candidates to be more energetic and motivated at work compared to older candidates (Mulder, 2019). This might affect fresh graduates which a little bit older. This is an example of age bias.

Experience is another factor in employer's preference. Unemployment among fresh graduates is highly connected to how organization prefer on choosing worker with experiences (Mncayi, 2016). This caused fresh graduates to be left behind with unemployment. Some employers offer entry-level job but they specifically say the minimum requirement which is 2-3 years experiences in the related role (Kirkpatrick, 2020). This criterion caused fresh graduates to not being able to apply even though it is an entry-level job.

2.4 Conceptual Framework

Figure 2.1 Proposed conceptual Framework.

Figure 2.1 shows the proposed conceptual framework of the study to find out the determinants of unemployment among fresh graduates in Malaysia. There are 4 independent variables which are job creation, competition, organizational technology, and employer's preference where 4 of these reflects the determinants of unemployment among fresh graduates in Malaysia that being discussed previously. The dependent variable is unemployment among fresh graduates. Therefore, this research builds the hypothesis to determine the relationship between unemployment among fresh graduate in Malaysia (DV) and four determinants (IV) which are job creation, competition, organizational technology, and employer's preference.

2.5 Hypothesis

There are four hypotheses formulated based on the previously discussed conceptual model on factors influencing unemployment among fresh graduates.

2.5.1 Relationship between Job Creation and Unemployment among Fresh Graduates

This study proposed that there is negative relationship between job creation and unemployment among fresh graduates. We believe that low job creation caused the unemployment among fresh graduates increases. A study by Abd Rahman et al. (2020) stated that in recent years the demand for labor is interrupted especially due to the pandemic. This indicate that there is less job opportunity available for fresh graduates. Study by Jamaludin et al. (2021) also agreed to this by stating that pandemic has caused business to respond to their losses by cutting jobs which resulted in decreased of job vacancies available.

H1: There is negative relationship between job creation and unemployment among
    fresh graduates

2.5.2   Relationship between Competition and Unemployment among Fresh Graduates

This study proposed that there is positive relationship between competition and unemployment among fresh graduates. We believe that high competition caused the unemployment among fresh graduates increases. Study by Hossain et al. (2018) stated that competition among fresh graduates exists as Malaysia private and public universities produce a large number of graduates. These graduates compete to secure a job position. Study by Kadir, Naghavi and Subramaniam (2020) also agreed that the number of Malaysian graduates is high which caused intense competition. This worsened the unemployment rate of the country.

H2: There is positive relationship between competition and unemployment among fresh
    graduates

2.5.3 Relationship between Organizational Technology and Unemployment among Fresh Graduates

This study proposed that there is positive relationship between organizational technology and unemployment among fresh graduates. We believe that high usage of organizational technology caused unemployment among fresh graduates increases. Study by Balsmeier and Woerter (2019) support this hypothesis by stating that digitalization leads to job destructions. This mainly affect employment of low-skill workers. The usage of technology caused unemployment among fresh graduates because it caused redundancy in the task (Frey & Osborne, 2017). This caused business to choose the usage of technology over human labor.

H3: There is positive relationship between organizational technology and
    unemployment among fresh graduates.

2.5.4 Relationship between Employer's Preference and Unemployment among Fresh Graduates

This study proposed that there is positive relationship between employer's preference and unemployment among fresh graduates. We believe that employer's preference has caused the unemployment among fresh graduates. Study by Mulders (2019) also found that employers do have some perceptions about unemployed graduates, and they have a fear of hiring them. So, they set a standard such as choosing the candidate with the best CGPA. Study by Mncayi (2016) also agreed that employer fo prefer some candidate over the other thus setting some hiring standard which exclude many other graduates.

H4: There is positive relationship between employer's preference and unemployment
    among fresh graduates

2.6 Summary of Chapter 2

In summary, labor market and organizational factors are two aspect that is influencing unemployment among fresh graduates. The relationship between labor market and unemployment can be seen through the supply and demand of job. Unemployment can occur when supply outpaces demand. Next, organizational factors is also a reason behind unemployment among fresh graduates. This is because how the company works affect how it interact with outside world. In this case, fresh graduates.

Two aspect of labor market that being highlighted are job creation and competition. The empirical research has shown that unemployment among fresh graduates can be caused by the lack of job creation. Besides, competition among graduates also occur resulting from high number of graduates from local and private university and the existence of immigrant worker.

Organizational factors leading to unemployment among fresh graduate is also narrowed to two aspect which is organizational technology and employer's preference. Previous study also found that the usage of advanced technology has cause the need for human capital reduced. Employer also preferred worker with certain criteria which caused bias in hiring process.

The conceptual model for the study is also built for the research process Then, hypothesis was formed by referring to previous research. The future chapter will discuss on the research design.

CHAPTER 3
RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses the approach and method for collecting data which is used to validate the conceptual model that being built in previous chapter. This chapter will start will discussion of research design followed by the outlining of sample selection and data collecting technique. Next, the operationalization and measurement of independent and dependent variable will be discussed. Finally, data analysis procedure to test the hypothesis will be explained.

3.2 Research Design

3.2.1 Descriptive Analysis

The decision on choosing the type of analysis should been made after careful consideration. Researchers need to think of the most suitable method for research question that has been developed. This is because it is important to use a data collection that will be useful in answering the research questions.

For this study, descriptive analysis is chosen. This decision in made based on the goal, nature, and topic of the study. The goal of this study is to examine whether the four variables which are job creation, competition, organizational technology, employer's preference stands as factors that caused unemployment among fresh graduates. So, descriptive analysis is the most suitable method to address this research questions. Thus, the finding of this research will contribute to the existing knowledge in this area and provide insights in addressing unemployment challenges among fresh graduates.

3.2.2 Quantitative Analysis

Quantitative analysis is used in the research for the purpose of assessing the reliability analysis, normality of data and multicollinearity analysis. Reliability analysis focus on assessing the internal consistency of the measured constructs. Normality test is to confirm that the data follows a normal distribution while multicollinearity analysis was done to detect multicollinearity among independent variables. These analyses were done to ensure the validity and reliability of the data and enhance the robustness of subsequent statistical analyses. Result from this analysis will indicate the quality of the data obtained by the study.

3.3 Sampling Design

3.3.1 Target Population

This study focusses on external factors influencing unemployment among fresh graduates. So, the target population to answer these research questions will be human resource executives in Malaysia. However, due to time constraints and limited resources, this study chooses human resource executives around Klang Valley, Malaysia as the population. This is because Klang Valley is the densest region in Malaysia with 8 million people. It is the city with huge number of people and huge number of organizations. There are 13,000 businesses in Klang Valley (About Klang Valley, n.d.). So, Klang Valley is a suitable subset of population to be use in making statistical inferences from and estimate the characteristic of the whole population.

3.3.2 Sampling Size

Sampling is a process in statistical analysis where researcher select a suitable number of observations from the population (Tuovila, 2023). Sampling is used by researcher so that they did not have to gather data from the whole population. Sampling is beneficial in term of timing and cost efficient. However, sample size is important in obtaining the desired statistical power (Hoe, 2008). The number of sample size was determined through the usage of Andrew Fisher's Formula. This study chooses to work with 95% confidence level with standard deviation of 0.5 and confidence interval of 0.5. So by using Andrew Fisher's formula which is:

Sample Size = $\frac{\text{(Z-score)}^2 \text{ x Standard Deviation x (1- Standard Deviation)}}{\text{(Confidence Interval)}^2}$

$$= \frac{(1.96)^2 \times 0.5(0.5)}{(0.5)^2}$$

$$= 384.16$$

So, the supposed sample size for this research is 385.

3.3.3 Sampling Method

The sampling method that will be use is voluntary response sample. Voluntary response sample refers to sample that is gather from self-chosen participants (Voluntary response sample, 2022). This type of sampling falls under non-probability sampling. These participants will volunteer to be a part of the research. However, these participants will be told ahead before they volunteered that the requirement that must be met is that they must be working as human resource position in their company. Participants who met the criteria and willing to participate will take the questionnaire.

3.4 Data Collection Method

Data collection method refers to a systematic approach that being used by researcher in collecting information from various sources in attempt to find answers to their questions such as to test a hypothesis (Data collection: Definition and methods, n.d.). According to Paradis et al. (2016), there are five types of data collection method which are survey, questionnaire, interview, focus group, observation, and textual analysis. They are widely use in research. The type of data collection is chosen by researcher based on the topic that they are studying.

This study choose questionnaire as the method for data collection. Questionnaire refers to a list of questions or items that is built by researcher to gather information from participants in relation to their topics. It is the most used to gather data from a big group of participants. Kelly (2003) has found that data collected in questionnaire are standardized, So, making comparison can be easier. This study will involve list of closed-ended questions that related to each construct of independent variable. This is because closed-ended questions are easy to answer and straight-forward.

Social media platforms will also be used in this research for data collection purposes. The questionnaire will be posted in Facebook and WhatsApp. This aims to reach more people with the selected criteria. Participants will need to use their phone or computer with an internet connection to complete the questionnaire and the response will be automatically received by researcher.

3.5 Operationalisation And Measurement

The questionnaire consists of section A with 20 statements. The first 5 statements are related to the first construct which is job creation followed by 5 statements reflecting competition, followed by 5 statements for organizational technology and 5 statements for employer's preference construct. All questions were assessed using 5-point Likert scale, where 1 indicate strongly disagree and 5 indicate strongly agree. Likert Scale item is beneficial for the research as it is easier to understand. Especially working with quantitative data, it is easy to find answer to the proposed hypothesis (Likert scale questions, 2021).

Next, section B of the questionnaire involves demographic information of respondents which are their gender, age, race and highest qualification. The last question involves them confirming that they are working in Human Resource department around Klang Valley.

3.5.1 Independent Variables

The independent variables of the research are:

- Job Creation
- Competition
- Organizational technology
- Employer's preference

The following are the operationalization and measurement for the specified independent variable.

Table 3.1: Construct and Items

CONSTRUCT	ITEMS	MEASUREMENT
Job creation	1. There is no job opportunity available in the company. 2. There are many fresh graduates applied for a job even though the pay is low. 3. There should be more job available for fresh graduates. 4. My company hires less people to save money. 5. My company have not hired a new employee for more than 2 years.	5-point Likert scale, where 1 indicate strongly disagree and 5 indicate strongly agree
Competition	1. There are more than 50 candidates for one job vacancy. 2. Immigrants are more preferable for certain positions in my company.	5-point Likert scale, where 1 indicate strongly disagree and 5 indicate strongly agree

	3. In my view, competition among fresh graduates have negative impact on wages. 4. My company focus on requested salary during selection process. 5. Current staff also applied for higher level job vacancy.	
Organizational Technology	1. My company involves the use of technological equipment. 2. The use of technology in my company reduces the need for employee. 3. The use of technology equipment saves company's money. 4. In my view, technological equipment is better than human as it made no error. 5. My company always invest in new technological equipment for the company.	5-point Likert scale, where 1 indicate strongly disagree and 5 indicate strongly agree
Employer's Preference	1. HR prefers candidates with experiences. 2. HR prefers candidates with higher qualification. 3. HR prefers candidates with more language ability. 4. HR prefers candidates with less unemployment period. 5. HR prefers candidates that did not request high salary.	5-point Likert scale, where 1 indicate strongly disagree and 5 indicate strongly agree

3.5.2 Dependent Variable

The dependent variable of the research is unemployment among fresh graduates. This dependent variable will not be operationalized and measured. The issue of unemployment among fresh graduate are proven by facts and the research is sought to find if job creation, competition, organizational technology, and employer's preference contribute to this problem.

3.6 Data Analysis

The data analysis will be done through Statistical Package for the Social Sciences (SPSS). This form of analysis is widely used by researcher for statistical data analysis. In this research, mean value will be used in concluding whether the hypothesis is accepted or rejected. We conduct a reliability test by using SPSS to test on the reliability of the independent variables. The normality of the data is also tested through SPSS.

3.6.1 Descriptive Analysis of Sample

Descriptive analysis will be used in the study for demographic profile of our sample which are on gender, age, race, and highest qualifications.

3.6.2 Reliability Test, Normality Test

Reliability of the independent variables as well as the normality of the data was tested by using SPSS.

3.6.3 Hypothesis Analysis

The hypothesis made were analyzed through the mean value of the data. High mean data indicate that respondents agree with the statement and low mean value indicate respondents did not agree with the statements.

3.7 Summary Of Chapter 3

Chapter 3 discussed on the research design for the study. The study used descriptive and quantitative analysis. The decision on the analysis was made based on the goal, nature, and topic of the study. The goal of the study is to examine whether the four variables which are job creation, competition, organizational technology, employer's preference stands as factors that caused unemployment among fresh graduates.

The population and sample of the study is determined which is human resource executive around Klang Valley, Malaysia as the population and 393 human resource executives in Klang Valley as the sample. The sample size was calculated by using Andrew Fisher's formula. The sampling method used is voluntary response sample from Facebook and WhatsApp.

Data was collected through questionnaire which consists of first section with 20 statements that reflects each construct and second section with demographic questions. All questions were assessed using 5-point Likert scale. The operationalization and measurement of IV and DV has been made followed by data analysis which is the used of mean value gained through SPSS.

CHAPTER 4

DATA ANALYSIS

4.1 Descriptive Analysis

4.1.1 Demographic Profile

In this part, we will discuss demographic data gathered from respondents, such as gender, age, race, and highest qualification.

4.1.1.1 Gender & Race

Table 4.1: Statistics of Respondent Gender & Race

What is your gender? * What is your race? Crosstabulation										
		What is your race?								
		MALAY		CHINESE		INDIAN		OTHERS		Total	
		N	%	N	%	N	%	N	%	N	%
What is your gender?	FEMALE	86	63.2%	61	53.5%	59	53.6%	13	39.4%	219	55.7%
	MALE	50	36.8%	53	46.5%	51	46.4%	20	60.6%	174	44.3%
Total		136	100.0%	114	100.0%	110	100.0%	33	100.0%	393	100.0%

According to Table 4.1, there are 393 respondents of the study with 219 females and 174 males participating. There more females (56%) compared to males (44%). Most participants are Malay Female which accounts for 63.2% while Malay Male accounted for 36.8%. Followed by Chinese which accounted for 114 (Female 53.5%, Male 46.5) and Indian for 110 (Female 53.6, Male 46.4). The remaining 33 respondents identified themselves as "others".

4.1.1.2 Age & Highest Qualification

Table 4.2: Statistics of Respondent Age & Highest Qualification

What is your age? * What is your highest qualification? Crosstabulation												
		What is your highest qualification?								Total	
		Diploma		Degree		MasterDegree		PHD			
		N	%	N	%	N	%	N	%	N	%
What is your age?	18-24	11	17.2%	63	29.9%	23	26.4%	11	35.5%	108	27.5%
	25-40	36	56.3%	101	47.9%	42	48.3%	11	35.5%	190	48.3%
	41-60	17	26.6%	47	22.3%	22	25.3%	9	29.0%	95	24.2%
Total		64	100.0%	211	100.0%	87	100.0%	31	100.0%	393	100.0%

Table 4.2 shows that respondents are mostly aged 25 to 40 years old which accounted for 48.3% followed by respondents aged 18 to 24 years old which accounted for 27.5% and the remaining 24.2% are aged 41 to 60 years old.

Looking at their highest qualification, 211 respondents hold a degree while 64 respondents hold a diploma, 87 holds Master's Degree and the remaining 31 respondents hold a PHD.

Looking at both variables together, the greatest number of respondents are aged 25 to 40 years old who holds a degree. While the least number of respondents aged 41 to 60 years old with a diploma.

4.2 Reliability Analysis

SPSS software has been used for reliability analysis to evaluate the IVs of this study. In this research project, there are 393 respondents in total involved in the reliability analysis.

IV 1 : Job Creation

Table 4.3: Cronbach's Alpha Reliability Test for Job Creation

Reliability Statistics	
Cronbach's Alpha	N of Items
.813	5

The first independent variables which is job creation that is measured by 5 items showed a Cronbach's alpha value of 0.813 indicates a very good reliability.

IV 2 : Competition

Table 4.4: Cronbach's Alpha Reliability Test for Competition

Reliability Statistics	
Cronbach's Alpha	N of Items
.832	5

Secondly, the competition which is measured by 5 items showed Cronbach's alpha value of 0.832 also indicates a very good reliability.

IV 3 : Organizational Technology

Table 4.5: Cronbach's Alpha Reliability Test for Organizational Technology

Reliability Statistics

Cronbach's Alpha	N of Items
.883	5

Third IV which is the organizational technology that is measured by 5 items showed Cronbach's alpha value of 0.883 also indicates a very good reliability.

IV 4 : Employer's Preference

Table 4.6: Cronbach's Alpha Reliability Test for Employer's Preference.

Reliability Statistics

Cronbach's Alpha	N of Items
.858	5

The last IV which is employer's preference which is measured by 5 items showed Cronbach's alpha value of 0.858 which also indicates a very good reliability.

4.3 Normality Test

This research presents that all variables must have a normal distribution. The absolute value of skewness of -/+2 and kurtosis values of -/+7 is used to determine normality, and these values are considered adequate (Hair et. al, 2010). The skewness and kurtosis values in Table 3 are within the threshold values, indicating that the data is normal (refers to Appendix B).

Table 4.7: Normality Test

VARIABLE	MEAN	STD	SKEWNESS	KURTOSIS
Job Creation	4.07	1.01	-.591	-.961
Competition	3.68	1.24	-.435	-1.449
Organizational Technology	4.01	1.09	-.703	-.924
Employer's Preference	4.33	0.84	-1.142	0.648

4.4 Hypothesis Analysis

4.4.1 Hypothesis 1: There is significant effect of job creation on unemployment among fresh graduates.

Table 4.8: Descriptive Statistics for Job Creation

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
There is no current job opportunity available in the company.	393	1	5	3.60	1.648
There are many fresh graduates applied for jobs even though the pay is low.	393	1	5	4.08	1.394
There should be more job available for fresh graduates.	393	1	5	4.63	.776
My company hires less people to save money,	393	1	5	4.54	.842
My company have not hired a new employee for more than 2 years.	393	1	5	3.51	1.732
Valid N (listwise)	393				

Table 4.8 shows that the mean values for all items are more than 3. This indicate that respondents agree on all statements.

4.4.2 Hypothesis 2: There is significant effect of competition on unemployment among fresh graduates.

Table 4.9: Descriptive Statistics for Competition

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
There are more than 20 candidates for one job vacancy.	393	1	5	4.12	1.497
Immigrants are more preferable for certain positions.	393	1	5	3.61	1.773
Competition among fresh graduates have negative impact on wages.	393	1	5	4.25	1.328
My company focus on requested salary during selection process.	393	1	5	3.87	1.498
Current staff also applied for higher level job vacancy.	393	1	5	2.53	1.853
Valid N (listwise)	393				

Table 4.9 shows that respondents mostly answer more than 3 in the first four statements which indicates agreeableness. However, most of respondents do not agree with the last statement.

4.4.3 Hypothesis 3: There is significant effect of organizational technology on unemployment among fresh graduates.

Table 4.10: Descriptive Statistics of Organizational Technology

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
My company involves the use of technological equipment.	393	1	5	3.78	1.424
The use of technology in my company reduces the need for employee.	393	1	5	3.73	1.494
The use of technology equipment saves company's money.	393	1	5	4.39	1.092
In my view, technological equipment is better than human as it made no error.	393	1	5	4.58	.670
My company always invest in new technological equipment for the company.	393	1	5	3.58	1.686
Valid N (listwise)	393				

Based on Table 4.10, most respondents agree on all statements as the mean value for all statements are more than 3.

4.4.4 Hypothesis 4: There is significant effect of employer's preference on unemployment among fresh graduates.

Table 4.11: Descriptive Statistics of Employer's Preference

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
HR prefers candidates with experiences.	393	2	5	4.49	.746
HR prefers candidates with higher qualification.	393	2	5	4.52	.805
HR prefers younger candidates.	393	1	5	4.04	1.391
HR prefers candidates with less unemployment period.	393	2	5	4.52	.805
HR prefers candidates that did not request high salary.	393	1	5	4.08	1.338
Valid N (listwise)	393				

Table 4.11 shows that most respondents agree with all statement because all mean values are more than 4.

4.5 Conclusion

The Cronbach's Alpha test has shown that all variable is high in reliability. This indicates that all items within the variables are interrelated and measured the same underlying construct. The skewness and kurtosis values based on the normality test are also within the threshold values, indicating that the data is normal. Lastly, the mean data for each item within the variables shows more than 3 points which indicate agreeableness except for one item in IV 2 which has low than 3 points that indicate not agree. Further discussion followed.

CHAPTER 5

DISCUSSION, CONCLUSION, AND IMPLICATIONS

5.1 Introduction

This objective of this research is to investigate the external factors that influencing unemployment among fresh graduates. The independent variables are job creation, competition, organizational technology, and employer's preference. These variables were analyzed in finding whether they stand as external factors that contribute to unemployment problems among fresh graduates. Set of questionnaires were distributed among human resource executives to obtain result to support the hypothesis and to discuss further in this chapter.

5.2 Discussion of Major Findings

5.2.1 Descriptive Analysis

The research involves 393 respondents from human resource department where most of them are Female (219) and 174 of them are Male. There are quite proportionate number of races involves where highest number of races count is Malay (136), followed by Indian (114) and Chinese (110). Respondents are mostly aged 25 to 40 years old (190 respondents) where majority of them holds a degree as the highest qualifications (211 respondents). There are 108 respondents aged 18 to 24 years old and 95 respondents aged 41 to 60 years old. Diploma holders are 64 respondents while Master's Degree respondents are 87 and PHD holder are 31.

5.2.2 Test of Significant

This section investigated the external determinants of fresh graduate unemployment in Klang Valley, Malaysia. A total of 393 target respondents answered the disseminated questionnaire on job creation, competition, organizational technology, and employer's preference. The relationship between the four IVs and unemployment among fresh graduates was examined using mean values. The study concluded that all the IVs were found to be external determinants of and unemployment among fresh graduates.

Table 5.1: Hypothesis Statement Acceptance

Hypothesis	Statement	Result
H1	There is negative relationship between job creation and unemployment among fresh graduates.	Do not reject
H2	There is positive relationship between competition and unemployment among fresh graduates.	Do not reject
H3	There is positive relationship between organizational technology and unemployment among fresh graduates.	Do not reject
H4	There is positive relationship between employer's preference and unemployment among fresh graduates.	Do not reject

5.2.2.1 Job Creation

The mean value for statements under job creation variable shows that most human resource employee agree to the statement. The respondents agree that there is no current job available in their company. This might have occurred due to the global job market condition which has experienced a significant shift in recent times, with fewer opportunities available compared to pre-COVID conditions. The impact of the COVID-19 pandemic has caused disruption in businesses worldwide, leading to closures, downsizing, and financial constraints. Because of that, companies implemented cost-cutting measures such A layoffs and hiring freezes, to survive the economic downturn.

Besides, respondents also agreed that there are many fresh graduates applied for jobs even though the pay is low. As the job is limited, graduates willing to apply for any job regardless of the pay just to establish their foot in the industry. They believe that even at lower salary, they are at least given an opportunity to learn and grow while at the same time securing their day-to-day life. Respondents also agreed that there should be more jobs offered for fresh graduates. Jobs that match their level of experience is crucial for their successful transition from education to employment. This entry-level position should be offered more as it gives opportunity for fresh graduates in building the necessary skills needed for higher position.

Respondents also agreed that their company hires less people to save many and most of them agree that their company have not hired new employee for two years. Reducing the number of hires is one of the outcomes driven by financial considerations of the companies. By limiting the employee, businesses can reduce expenses associated with salaries, benefits, training, and recruitment. Companies may also adopt this strategy to maintain profitability and preserve resource during period of uncertainty.

In summary, respondents do agree that there is negative relationship between job creation and unemployment among fresh graduates. More job created will lead to less unemployment among fresh graduates. While less job created will caused more unemployment among fresh graduates.

5.2.2.2 Competition

The mean value for statements under competition variable shows that most human resource employee agree to the first four statement. The respondents agree that there is more than 20 candidates for one job vacancy. Candidates compete for one single job because of fewer job opportunities available compared to the number of job seekers in the market. So, the competition for one position become intense resulting with high number of applicants. Especially during economic downturn such as pandemic Covid-19, there is low number of job opening causing fresh graduates to apply for a broader range causing high number of applicants.

Respondents also agreed that this competition among fresh graduates have negative impact on wages and companies focus on requested salary in selecting candidates. When there are more applicants than employers, the job market become employer-driven. This has caused employers to have upper hand in salary negotiations thus resulting in low salary offered. Besides, large number of applicants caused employers to take advantage of the situation by offering low starting salary considering lack of experience as a bargaining chip. This limit fresh graduates' negotiating powers where there will leave unemployed if they requested a high salary even though it is an acceptable range in the job market.

Next, respondents agreed that immigrants are more preferable in certain positions. This has caused competition among local and immigrants job seekers. Immigrants might possess specialized skills that is needed in some industries which caused them to be prioritized in job selection. Especially in position that require some language proficiency or cultural understanding, immigrants might be more preferred. Besides, companies who seek for global expansion will prioritize candidates with international connections and experiences. This creates a challenge for local fresh graduates to compete for job vacancies as their bargaining power will be reduced.

However, respondents do not agree with the last statement where current employee also applied for high level job vacancy. This is because during period of high unemployment, employees may put importance on job security rather than job advancement. Employees might fear of losing their job thus discourage them from

applying for high-level job vacancies. This on the other hand is in favor of fresh graduates as it reduced competition for a job vacancy.

In summary, respondents do agree that there is positive relationship between competition and unemployment among fresh graduates where high competition lead to higher unemployment among fresh graduates.

5.2.2.3 Organizational Technology

The mean value under this variable shows that respondents agreed to all statement given. Firstly, most of the respondent's companies involve the usage of technological equipment. Respondents also agreed that their companies invest for new technological equipment. In modern companies, technological equipment is important as it revolutionized various aspects of business operations. It increases efficiency as well as productivity in the business operation. Even small businesses such as food retailer implemented the use of technological equipment such as Point of Sale (POS) Systems which includes register, barcode scanner, and inventory management software that lessen the workload of a human labor. Small businesses for instance invest in new technological equipment to expand their business. For example, food stalls can invest in integrated online payments to accept electronic payments from customers. This ease the buying process thus increase customers.

Moreover, respondents agreed that the use of technological equipment saves company's money. This is because the use of technological equipment is cost saving. Systems and robots reduce the need for human labor. This allows businesses to automate repetitive and time-consuming tasks. For example, the usage of software that automate data entry replace the needs for data entry officer which saves labor costs. This is not good news for fresh graduates as it reduces the number of job available in the job market as some of them are replaced by modern systems and robots.

Lastly, respondents believes that technological equipment is better than human as it made no error. This is because technological equipment surpasses human capability, For instance, technological equipment can complete a task in high accuracy and precision. Machines and systems can do repeated task without getting tired or making errors as they are programmed to perform the task accurately. This reduces errors and

at the same time increase output. This efficiency improvement is cost saving as it minimized wasted resources and maximized productivity levels. So, some of the companies prefers the usage of technological equipment thus reducing the number of job opportunity for fresh graduates and increase their unemployment.

In summary, respondents do agree that there is positive relationship between organizational technology and unemployment among fresh graduates. High usage of technology in an organization will lead to higher unemployment among fresh graduates.

5.2.2.4 Employer's preference

The mean values for this variable show that respondents agreed to all statements. Respondents, who are working in human resource department agreed that they have preferences at some point in selecting candidates. Firstly, they prefer candidates with experiences. This is because experienced candidates often possess knowledge and skills that make them immediately productive. This reduces the cost for intensive training as candidate can contribute to the company even from day 1 of employment. Besides, HR prefers experienced candidate as they already have the experience in similar role which increase the confidence in performance.

Furthermore, HR also prefers candidates with higher qualification. As the number of applicants increase, HR used higher qualification as one of the filtering criteria. Besides, this can happen because of HR taking advantage of the large number of applicants by choosing candidates with the best knowledge for an entry-level position. This reduces the opportunity for fresh graduates to secure a job thus leave them with unemployment.

Age is also one of the factors that is filtered by the HR. Respondents agreed that HR prefer younger candidates. There many reasons underlying this decision such as young candidates were seen as more digital savvy. They believed to possess high level of proficiency with technology which making them easier to adapt with technological equipment used in the company. Young candidates also perceived to as having greater potential for long-term commitment compared to older candidates. In term of flexibility, young candidates who is mostly unmarried, have high level of commitment towards the job as they have no other commitment to be prioritized. This caused fresh graduates

that is older to be left out during the selection process thus increased their length of unemployment which is also one of the factors filtered by HR. HR preferred candidate with short unemployment period is they give employers a sense of continuity in candidate's career progression.

Lastly, respondents agreed that they consider salary expectation in evaluating candidates. Respondents that request for high salary are seen as unattractive as they are seen as inflexible. HR need to focus on cost management in hiring candidates. They have to remain in the budget for salary allocation. However, HR might include other benefits apart from the salary offered. So, hiring candidates with lower salary expectations can ensure that the selected candidate's compensation aligns with the allocated budget for that role.

In summary, respondents do agree that there is positive relationship between employer's preference and unemployment among fresh graduates. More rigid preference that an employer have will lead to higher unemployment among fresh graduates.

5.3 Summary of Statistical Analysis

5.3.1 Reliability Test, Normality test

Cronbach's Alpha was used to measure the reliability of the items. Cronbach's Alpha value for all variables (job creation, competition, organizational technology, and employer's preference) are more than 0.8 which shows good reliability. In other words, all variables have strong internal consistency.

The normality test suggest that data follows normal distribution as the skewness and kurtosis values are within the threshold values.

5.4 Implication of the Study

The findings of this study suggested that there are external factors that contribute to the unemployment toward fresh graduates from the perspectives of people working in human resource department themselves. Less of job creation, intense competition, the usage of technology in organization and employer's preferences plays a role in putting fresh graduates in unemployment.

So, many efforts could be done to avoid the continuation of this event. Firstly, government should come out with more strategy to encourage businesses in hiring fresh graduates such as provide subsidy for business in paying salary for hiring fresh graduates. Besides, training should be offered by government or private institution for fresh graduates to prepare them in real-life working condition. For example, internship and apprenticeship programs. Job placement services is also beneficial in helping fresh graduates in providing career guidance, job matching and networking opportunities to connect graduates with potential employers.

Besides, efforts should be done in limiting the number of immigrants worker for certain business so that more job opportunity is available for local especially fresh graduates. Government can enforce fair hiring practices where all candidates regardless of immigrants or local have equal opportunity to compete for any job vacancies. This can prevent any perceived inequalities in the job market.

Next, even though the usage of technology is beneficial for organizational, human-robot approach should been encouraged. This involves the importance of collaboration and cooperation between human and robot in performing task. This can create a productive relationship where technology is harnessed to augment human capabilities.

5.5 Limitations of the Study

While conducting this study, there are some limitations and constraints found. Firstly, time constraints. As there is short amount of time, this study only able to research on a specific area which is Klang Valley. This study did not able to gather data from a larger sample. This might affect the generalizability of the findings.

Besides, this study relies on the questionnaire as a method of data collection. The limitation of questionnaire is that they are based on self-reported opinions or opinion based. So, they are subjective and can be influenced by biases, social desirability, or errors in memory recall. Respondents might provide information based on their belief rather than facts. Closed-ended questions also lack the ability to capture in-depth understanding in the response given as it is limiting the range of possible answers. So, respondents cannot fully express their viewpoints.

Next, the study limitation is that the inability to control the environment. As this is an online questionnaire, the environment in which the respondents answering the questionnaire in uncontrollable. Respondents might answer the questionnaire in a noisy surrounding which affect their ability to focus on answering correctly. Some of respondents might not provide a precise answer because of unhelpful surroundings.

Lastly, the study is unable to include more related independent variable. The time constraint has caused this study to focus on only four domains relating to external factors influencing unemployment among fresh graduates where there are many other factors based on the literature review. So, there are other determinants that might be more significant than what being studied.

5.6 Future Research Recommendations

There are some ways that future studies could have done to make the outcome better. Firstly, rather than a closed-ended questionnaire, researchers can include some open-ended question to find some underlying information that might not being considered at the beginning of the research which can affect the findings. Interviews can also be considered as a data collection method as it is more in-depth.

Besides, future research should consider on sampling bias. As online questionnaire relies on convenience sampling, some of the sample might not really the representative of the target population. The respondents might not fit into the criteria, but they still answer the questionnaire. This affect the findings as the real reflection of the population cannot be obtained. So, consideration on reducing this bias should be consider for the next research.

Lastly, more variables that related to external factors influencing unemployment among fresh graduates should have been discovered such as pressures from family, social expectations, and others. Researcher can also focus on different state in Malaysia to find the answer of unemployment among fresh graduates in more remote area if there is any different than a city like Klang Valley.

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APPENDIX A: Online Questionnaire

External Factors Influencing Unemployment Among Fresh Graduates

Please indicate your opinions on a 5-point scale to the following statements regarding factors influencing unemployment among fresh graduates.

(1–strongly disagree, 2–disagree, 3-neutral, 4-agree, 5-strongly agree)

External Factors Influencing Unemployment Among Fresh Graduates	1	2	3	4	5
1. There is no job opportunity available in the company.					
2. There are many fresh graduates applied for jobs even though the pay is low.					
3. There should be more job available for fresh graduates.					
4. My company hires less people to save money.					
5. My company have not hired a new employee for more than 2 years.					
6. There are more than 20 candidates for one job vacancy					
7. Immigrants are more preferable for certain positions.					
8. Competition among fresh graduates have negative impact on wages.					
9. My company focus on requested salary during selection process.					
10. Current staff also applied for higher level job vacancy.					

11. My company involves the use of technological equipment.					
12. The use of technology in my company reduces the need for employee.					
13. The use of technology equipment saves company's money.					
14. In my view, technological equipment is better than human as it made no error.					
15. My company always invest in new technological equipment for the company.					
16. HR prefers candidates with experiences.					
17. HR prefers candidates with higher qualification.					
18. HR prefers younger candidates.					
19. HR prefers candidates with less unemployment period.					
20. HR prefers candidates that did not request high salary.					

Demographic Information

1. What is your age? _____
2. What is your gender? _____
3. What is your race? _____
4. What is your highest qualification? _____
5. What is your position in the company? _____
6. How long have you been working in this position? (in months) _____
7. Are you involved in the hiring process? _____
8. Are you working in Klang Valley? Yes/No

APPENDIX B: Normality Test

Descriptives			Statistic	Std. Error
JOBCREATION	Mean		4.0707	.05109
	95% Confidence Interval for Mean	Lower Bound	3.9703	
		Upper Bound	4.1712	
	5% Trimmed Mean		4.1370	
	Median		4.0000	
	Variance		1.026	
	Std. Deviation		1.01287	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		1.60	
	Skewness		-.591	.123
	Kurtosis		-.961	.246
COMPETITION	Mean		3.6768	.06249
	95% Confidence Interval for Mean	Lower Bound	3.5540	
		Upper Bound	3.7997	
	5% Trimmed Mean		3.7076	
	Median		4.2000	
	Variance		1.535	
	Std. Deviation		1.23879	
	Minimum		1.80	
	Maximum		5.00	
	Range		3.20	
	Interquartile Range		2.80	
	Skewness		-.435	.123
	Kurtosis		-1.449	.246
ORGTECH	Mean		4.0117	.05509
	95% Confidence Interval for Mean	Lower Bound	3.9034	
		Upper Bound	4.1200	
	5% Trimmed Mean		4.0819	
	Median		4.6000	
	Variance		1.193	
	Std. Deviation		1.09207	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.703	.123
	Kurtosis		-.924	.246
EMPLOYERPREF	Mean		4.3303	.04256
	95% Confidence Interval for Mean	Lower Bound	4.2466	
		Upper Bound	4.4140	
	5% Trimmed Mean		4.4207	
	Median		4.8000	
	Variance		.712	
	Std. Deviation		.84378	
	Minimum		2.00	
	Maximum		5.00	
	Range		3.00	
	Interquartile Range		1.00	
	Skewness		-1.142	.123
	Kurtosis		.548	.246

APPROVAL PAGE

TITLE OF PROJECT PAPER: EXTERNAL FACTORS INFLUENCING
                          UNEMPLOYMENT AMONG FRESH
                          GRADUATES

NAME OF AUTHOR : INTAN NURLISA BINTI MD NOR RAHMAN
_____

The undersigned certify that the above candidate has fulfilled the condition of the project paper prepared in partial fulfillment for the degree of Master of Business Administration.

SUPERVISOR

Signature : _____
Name :
Date :

ENDORSED BY:

_____

Dean

Graduate School of Business

Date: