Every day we see literally hundreds to thousands of vacancies posted on famous job sites and classified ads. And yet, in May this year, a Minister in the Prime Minister’s Department stated that 161,000 graduates, aged between 20 and 24 years, were unemployed six months after their graduation. What went wrong? How could students who spent years in academia discover that they are not employable?

A generic and irrelevant academic syllabus has often been blamed for this conundrum. Most employers think that it is the academia’s responsibility to produce work-ready graduates. Employers also feel that most young graduates lack the drive and initiative to go above and beyond their job scope to go up the career ladder. And since there are always two sides to the story, the academics are adamant that they have done their part to churn out generalists who can fit in anywhere, while the young graduates feel miffed that the doors are shut before they can even get their foot in and prove themselves. Is there a way out of this ‘gridlock’? Thankfully, our experts assured us that there is hope even in the midst of this gloominess.

**Fresh Graduates Need Not Apply**

It’s a grim fact that fresh graduates are having a rough time finding jobs. In a 2013 JobStreet.com survey, close to 70% of employers would not consider hiring a fresh graduate due to the lack of relevant skills and 43% think that the extensive time required to train them to be industry-ready is not worth it. “Most employers just don’t see the point of training fresh graduates only to have them leave for greener pastures not long after,” said RA Thiagaraja, Chief Executive Officer of K-Pintar Sdn Bhd, a PSMB (HRDF)-approved Class ‘A’ human capital development solutions provider. He added that the digital-
driven millennials, born within 1981 to 1994, are commonly perceived to have not much work loyalty due to their preference for flexible working hours, their fondness to simplify tasks whenever they can, and to job hop. “People fear to invest in the millennials, but in the long-term, you are going to lose out if you do that. They are the future leaders,” said Thiagaraja. “At the same time, our young local talents need to have a mind-set change.”

A Dire Need for Upskilling
The local education quality is below expectation, according to the 2013 Malaysia Economic Monitor. Malaysian students performed poorly compared to lower-income countries such as Vietnam in the global Programme for International Student Assessment (PISA), which ranks secondary school students’ skills in math, reading and science.

And as Malaysia’s economy grew, enterprises intending to add higher value-added activities to their operations, such as research, design and development, face a serious talent shortage. To add salt to the wound, MDEC reports that Malaysia is ranked rather poorly in the Talent Competitiveness Index.

Only 28 per cent of the Malaysian workforce are skilled workers, according to the 10th Malaysian Plan Report. This means that 72 per cent of the semi-skilled or unskilled workers need to up-skill or re-skill themselves, otherwise they will become outdated and unemployable. “Our academic syllabus is not really relevant to the industry. Employers are really looking for industry skills. They want to hire someone who can perform the required task immediately. This is where industry certification comes in,” said Thiagaraja. “Industry certification proves that the person has the relevant skills and knowledge to perform the job. If you have an industry certification, you have a higher chance of getting a job or being promoted.”

Thiagaraja recommends that fresh graduates seek for industry certification granted by globally recognised professional bodies or renowned vendors, rather than random certificates issued by individual institutions of dubious quality.

It Takes a Village
Dr. Amat Taap Manshor, Chief Executive Officer of Finance Accreditation Agency (FAA) believes that it takes many parties to raise the quality of talents. “It is a humongous task that no one party can do alone without any engagement, collaboration or cooperation from other stakeholders such as regulators, professional bodies, industry players, training providers and institutions of higher learning (IHL).”

He recommended starting small, whereby universities can implement FAA’s industry learning standards in the elective subjects from the second year onwards. “We cannot change the whole academic structure as it would need to be re-evaluated by Malaysian Qualifications Agency (MQA), which will be a tedious and costly process. By using our standards for the electives, students can receive quality industry-centric training in banking, insurance or the capital market delivered by seasoned industry players who lecture on a part-time basis.”

In addition, Dr. Amat believes that it is crucial to enhance the present industry attachment practice and is working with associations like Life Insurance Association of Malaysia (LIAM) to distribute graduates to member companies where proper programmes are conducted. “Currently, interns are considered as cheap labour and end up not learning much during their attachments. If you don’t give the opportunity to students, how can they be exposed to the industry and widen their practical knowledge? By putting them in meetings to listen is better than putting them next to the photocopier or coffee machine. Just by observing
how managers discuss and make decisions is very beneficial to them. We want these opportunities to be given to them as these are things you cannot learn in universities.”

A Millennial-run Company
Jordan Oon, Associate Director of TH3 Holdings Sdn. Bhd., a leading IT solutions provider, is under no illusion that fresh graduates are ill-equipped for work. Yet, his entire company of 12 employees is completely run by Gen-Yers. At 29 years, the personable Jordan is a Gen-Y himself, and the oldest staff is 31 years old. “Truthfully, fresh graduates know next to nothing. Most of them don’t even have a clue of what they want to do in their life,” Jordan said frankly. “They respond to job ads when they see something that they could possibly like. So, to take on these young talents, we made sure that our job scope is not rigid and most importantly, tailor-made to their strengths.” TH3 hires graduates from various backgrounds and Jordan has only one criteria. “As long as they are willing to learn, we will train them. When they make mistakes, we will guide them until they improve.”

TH3’s internship programme is a comprehensive 3-month course. “Interns are not just making coffee or getting acquainted with the photocopier. Rather, from the first week itself, they are taught how to do goal setting and personal management. That way, when they graduate from the programme, they’ll have a more concrete idea of what they want to do moving forward.” It is little wonder that every intern wanted to stay on with TH3; Jordan had to regretfully turn most of them away as there just weren’t enough available vacancies.

Jordan is reaping bountiful rewards for his investment in training his employees. His dynamic company has multi-million ringgit projects in over 30 industries in 7 countries under their belt, with an impressive clientele that include CIMB Bank, AFFIN Bank, The Curve, Poh Kong, Digi, and PETRONAS, and the list is growing.

Thinking like a Millennial
TH3’s success is an example that it pays to give fresh graduates a chance and to invest in training them. As Thiagaraja has mentioned, to overlook such a great resource would be a waste. After all, a sizeable chunk of the population is made up of millennials. What better way to capture that market space than to hire millennials to help drive your enterprise to the next level?

Significantly, it also takes one to know one. Of course, employers do not necessarily need to be millennials themselves, but by thinking like one and knowing what motivates these young talents oozing with such promise, one may unleash their fullest potential and earn their loyalty at the same time.

Who is responsible for producing non-work-ready graduates?
There’s no point in laying on the blame. The institutes of higher learning and industry players must join hands to help eradicate the problem.

So, what can be done to bridge the skills gap?
We are getting the ball rolling by implementing FAA’s industry learning standards into elective subjects in universities, having seasoned industry practitioners teach students on a regular basis, and putting in quality industry attachment programmes.

What can you realistically expect from fresh graduates these days?
Not much, as they most probably know next to nothing. But as long as they are willing to learn, we will train them.

What motivates your millennial employees to remain in your organisation?
We trust them and give them ample opportunities to grow and interact with the movers and shakers of the industry.

Dr. Amat Taap Manshor, Chief Executive Officer of Finance Accreditation Agency

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