

UNIVERSITI TEKNOLOGI MARA

**THE RELATIONSHIP BETWEEN
STUDENTS' ABSORPTIVE
CAPACITY AND MOTIVATION,
AND KNOWLEDGE TRANSFER
EFFECTIVENESS IN MALAYSIAN
COMMUNITY COLLEGES**

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Thesis submitted in partial fulfillment of the requirements
for the degree of
Doctor of Business Administration

Faculty of Business Management

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AUTHOR'S DECLARATION

I declare that the work of this dissertation was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the result of my own work, unless otherwise indicated or acknowledged as referenced work. This dissertation has not been submitted to any other academic institution or non-academic institution for any other degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

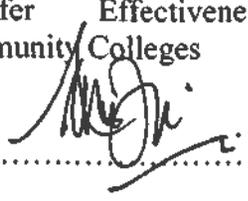
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ABSTRACT

Apart from public and private universities, community colleges serve as alternative paths for SPM school leavers to further their education. However, low community colleges students' previous academic achievement and the fact that the students formed the highest rate of graduate unemployment among other higher learning institutions have raised questions on the effectiveness of knowledge transfer in Malaysian community colleges. Thus, the main objective of this study is to determine the relationship between students' absorptive capacity and motivation, and knowledge transfer effectiveness in Malaysian community colleges. A total of 387 self-administered questionnaires were sent in August 2010 to respondents in 18 colleges by using cluster random sampling technique. With a valid response of 87 per cent (338 respondents), descriptive, multiple and hierarchical regression analyses were conducted using the Statistical Package of Social Science (SPSS) version 17.0. With regard to its main objective, empirical evidence indicated that hypotheses in relation to both students' absorptive capacity and motivation effect on knowledge transfer effectiveness were statistically significant. For subsequent objectives, parental involvement was found to have a statistically significant positive moderating impact on the relationship between students' absorptive capacity and knowledge transfer effectiveness except for students' motivation. However, lecturer support showed no statistically significant moderating impact on both of the relationships. The results suggest that students' absorptive capacity and students' motivation need to be improved to increase the effectiveness of knowledge transfer, such as by providing more encouragement, awareness and effective intervention programmes. In addition to that, though there was only one situation where moderating impact of parental involvement was significant, in reality the impact of lecturer support and parental involvement in increasing knowledge transfer effectiveness may have a different bearing. Hence, this needs to be investigated further in future research. In a nutshell, this study could provide insights and understanding towards improving knowledge transfer effectiveness in Malaysian community colleges which is important for enhancing students' academic performance and their future job prospects. At the same time, the perceived academically underprepared students will not be left out in the quest for better knowledge that would enhance economic development of the nation. Producing better quality students would help improve the Malaysian community colleges' image and increase the employment prospects among its graduates. Indeed, this would help to produce credible higher learning institutions and indirectly help Malaysia to leap forward towards becoming a developed nation.

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List of Abbreviations

10MP	10th Malaysian Plan
ERP	Enterprise Resource Planning
ETP	Economic Transformation Plan
MNC	Multinational Company
MOE	Ministry of Education
MOHE	Ministry of Higher Education
MQA	Malaysian Qualification Agency
NEM	New Economic Model
NEP	New Economic Policy
OBE	Outcome Based Learning
OECD	Organisation for Economic Co-operation and Development.
OPP	Outline Perspective Plan
SPM	Sijil Pelajaran Malaysia
SPSS	Statistical Package Social Science

CHAPTER 1

INTRODUCTION

This chapter discusses the background of study, statement of the problem, objectives of the study, justification for the study, summary of methodology, operational definitions, delimitations of scope, and operational definition of the study.

1.1 Background of the Study

In a knowledge economy, effective knowledge transfer is important to ensure everybody gets fairly involved in economic activities. The importance of knowledge transfer thus transcends normal limits and boundaries such as individuals, groups, organizations and even a nation. Knowledge can become a powerful tool for any nation to prosper in the quest for a better control of the economy and resources to attain competitive edge.

In order to equip herself, Malaysia has set to build a comprehensive knowledge based society in her pursuit to become a developed nation (Razali & Amine, 2007). Since the 1st Malaysia Plan, the Government has given special emphasis on its citizen's education. Malaysia has always focused to provide education for the development of human resource needs that cater for social, economic and political balance (Rahimah, 1998). According to Gurnam and Mahinder (2009) and Rahimah (1998), the achievement of the Malaysian education system in reacting to issues of access, equity, quality and relevance of education is closely linked to the

systematic strategies and plans for development in the nation's Outline Perspective Plan (OPP). The plan executed through the national five-year development plans since the mid-1960s acknowledged that education is one of the important factors to develop the nation. Wider opportunities for education then should be provided if Malaysia is to become a developed nation. The focus on education is in line with the objective to spur long term development through human capital to accelerate Malaysia's quest towards attaining a higher per capita income. Thus, in promoting education and development for the above purpose, every individual should be given sufficient assistance and opportunities to perform better in the field of education so that the person could be rewarded through global economy which calls for an increasingly higher skills personnel (Chen, 2007). Having a large proportion of adequately educated workers especially at the tertiary level is a necessity to ensure continuous development.

As shown in Figure 1.1, Malaysia stands at the 57th place out of 151 countries based on the world educational statistic 2008 (NationMaster.com, 2003-2011). It can be implied that one of the important characteristics of developed countries in the world is their citizen's high enrolment in higher education institutions. In an effort to increase the enrolment in higher education institutions, more opportunities can be provided through vocational education by setting up of polytechnics and community colleges. It has been stated in the New Economic Model (NEM) that through Economic Transformation Programme (ETP), the government reiterated its aim to train more skilled workers in the field of vocational studies (The Star, 2010b). Hence, knowledge and education could become important vehicles to realize a vision to become a high income nation as stated in the new economic model. No group in the country will be left behind to gain from the economic development. Community

colleges could be utilized to provide opportunities for education to all folks regardless of their education level or race.

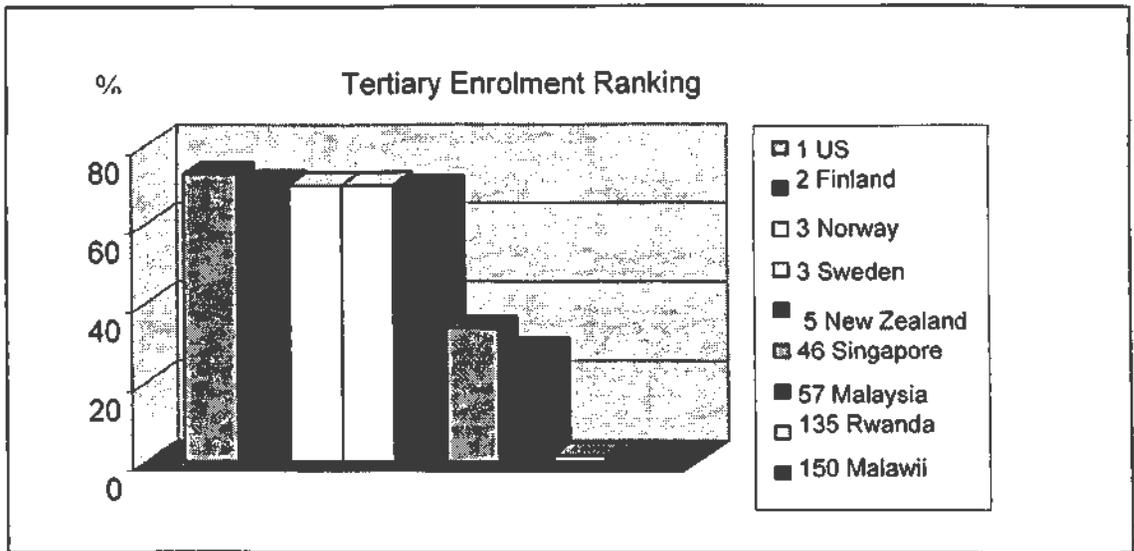


Figure 1. 1. World Higher Education Enrolment Ranking

Source: UNESCO (Education Statistic 2009)

The community college which was introduced in 2001 can be considered as a new breed of learning institution as compared to other higher learning institutions in Malaysia such as universities and polytechnics. Community colleges are a unique type of higher learning institution with regard to their role in providing ample learning opportunities to students regardless of their previous education background (Gaban, 1992). The author who suggested a development model for community colleges in Malaysia highlighted the importance of community colleges. These colleges could support the Government's effort to enhance the quantity and quality of knowledge workers, hence fulfilling the needs of the employment sectors. The community college has the potential to train and supply knowledge workers through their continuous learning programme and vocational studies. It has been written in a newspaper report in The Star, 9th August 2009 that over 100,000 youths who failed to

enter university yearly had received a second chance to further their studies with the existence of community colleges.

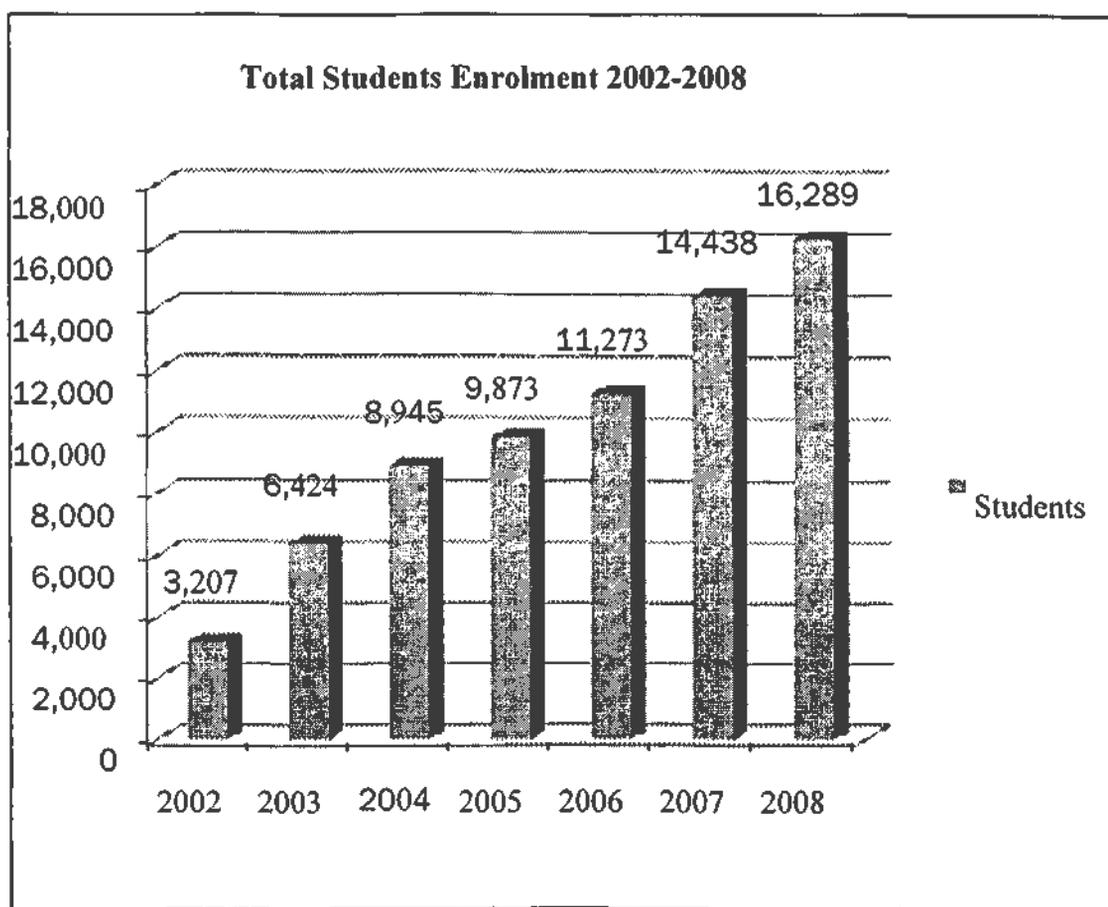


Figure 1. 2. Enrolment in Community Colleges (2002-2008)

Source: Ministry of Higher Education

Figure 1.2 shows the increasing enrolment of students in community colleges. On record, the number of Malaysian community colleges has grown from ten colleges since its inception to almost 70 by the end of 2010. One of the contributing factors may be due to the minimal enrolment fees to study in the colleges. In a study that was conducted, it was found that one of the important factors for Malaysians to choose to continue their study is reasonable study fees (Ariffin, Ahmad, Ahmad, & Ibrahim, 2008). With low enrolment fees, more students would have the opportunity to further their studies. This would allow the students to discover their optimum potential and

consequently contribute in terms of social benefits to the country. The social benefits can be in the form of higher national income, healthier population and better societies (Murray, 2009). Good human capital programmes and development through community colleges suppose to provide the nation with skilled knowledge workers who have adequate learning capabilities and access to knowledge. However, despite their growing importance, the quality of community colleges' graduate is in question as they have been perceived as academically underprepared students due to their previous academic achievement. Questions arise as to whether the students are fully equipped with sufficient knowledge to venture into employment world. Until recently, there appears to be no known study conducted on the Malaysian community colleges in relation to knowledge transfer effectiveness among its students. In comparison with the U.S which has introduced and developed their community colleges for over a hundred years, Malaysia has just set up its own community colleges in the education system some ten years back. Thus, a lot of efforts need to be implemented to ensure the success of the colleges in order to get positive acceptance from the public as well as from the industry.

In order to build the framework for this study, literatures from various schools of thoughts have been reviewed. Among them are from knowledge transfer, education, psychology and other management areas. After going through them as well as the issues and problems, the researcher has come up with few important variables namely knowledge transfer effectiveness, students' absorptive capacity, students' motivation, parental involvement, and lecturer support. It is hoped that through a better understanding of the variables and their relationships, better informed decisions and plans could be made on how to increase the knowledge transfer effectiveness in Malaysian community colleges. The application of the right techniques and strategies

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could be made by community colleges to increase knowledge transfer effectiveness to their students. This could improve the students' performance as well as their future employability.

In addition to the above, this study would serve as a guide for other higher learning institutions with regard to the improvement of knowledge transfer effectiveness. An indepth study needs to be done to clarify several shortcoming of the existing literature in relation to knowledge transfer involving education studies. With more investigations and researches, it is hopeful that the government objective to improve the quality of knowledge delivered through Malaysian community colleges could be achieved.

1.2 Justification for the Study

The study can be justified on five grounds:

1. Justification for the Selection of Knowledge Transfer Effectiveness

In Malaysia, until recently, there is no known research on knowledge transfer effectiveness conducted for Malaysian community colleges. Based on the literature that had been reviewed, most of the studies about community colleges were done in the U.S but none of them relate their studies to students' performance in terms of knowledge transfer effectiveness. It is an undeniable fact that one of the persistent issues on adolescents and students which have remained unresolved is how to increase their academic performance (Hidi & Harackiewicz, 2000). According to Ervina and Md Nor (2005), most of previous academic studies focus on students' performance based on students' CGPA grade. However, this study looked into

different perspectives of students' performance based on their effectiveness to engage in knowledge transfer. This is due to the fact that even though students perform in their examinations with high CGPA; they still do not have sufficient skills to engage in future jobs. Students have always been known as failing to apply knowledge and skills learned in one context to another context when they are outside the school (Perkins & Salomon, 1988). The problem seems to relate to insufficient knowledge transfer during their college days. Therefore, this research posits that one of the important concepts in the application of knowledge management in higher education is to effectively transfer the knowledge from lecturers to students.

The knowledge transfer effectiveness model of this study was adapted from various sources such as from Szulanski (1996), Gupta and Govindarajan (2000), Minbaeva et al. (2003) and Ko et al. (2005). Eventhough most of the studies were in the business organizational context, the gist of their model can be used in the higher education context as the knowledge transfer process involves individuals to be successful. Furthermore, knowledge transfer effectiveness is an important element for the education system (Zulkhairi & Suebsom, 2008). Based on Zulkhairi and Suebsom's (2008) study, effective transfer of knowledge was found to contribute positively in terms of students' achievement, lower drop-out rate and higher students' self-esteem. This study posits that in order to measure the students' performance and readiness to be successful, the students' perceived knowledge transfer effectiveness should be given attention than just merely referred to by their CGPA. The knowledge can be transferred through existing programmes that involve industrial training and work-based learning module. The entire programmes and the theoretical classes would prepare the students for future employment. It is believed that knowledge transfer effectiveness could provide the students with sufficient knowledge and skill