

PROSIDING SEMINAR KEBANGSAAN SAINS, TEKNOLOGI & SAINS SOSIAL

27 ~ 28 MEI 2002

HOTEL VISTANA, KUANTAN, PAHANG

Anjuran :



**Universiti Teknologi MARA
Cawangan Pahang**

Dengan Kerjasama



**Kerajaan
Negeri Pahang Darul Makmur**

JILID 2



GRADUATE AND EMPLOYMENT: A CASE STUDY ON THE DIPLOMA IN BANKING PROGRAMME AT MARA UNIVERSITY OF TECHNOLOGY, SARAWAK BRANCH

ANNIE WONG MUK NGIHK
VOON BOO HO

MARA University Of Technology, Sarawak Branch

ABSTRACT

The graduates' progress after they have completed their studies needs to be addressed. This is useful for future planning and improvement. Empirical evidences on graduate employment are obtained through a tracer study on Diploma in Banking graduates. This study focuses on the graduates who have completed their studies from UiTM Sarawak Campus from the year 1993 to the year 2000. The main aim of this study is to evaluate the employability of the graduates and the relevance of the course in relation to their current employment. A total of 240 (39.2% response rate) usable mail questionnaires are collected and analyzed. The main variables studied include, graduates' academic achievement, their employment pattern, further educational opportunities, as well as suggestion for improvement for the programme. The findings indicate that quite a significant proportion of graduates (42%) go for further study after their graduation. The employment rate among the respondents is quite high (75%) and most of them waited for a relatively short period (about 12 months) to secure their first employment. On the average they earn between RM 500 to RM 2000 per month. As a whole, they perceived most of the core and non core subjects as important and relevant to their present work. The exceptions are subjects like other languages and religious studies.

Keyword: Employment, Diploma in Banking

1.0 INTRODUCTION

Education has expanded rapidly in Malaysia since Independence. It has been emphasized as a tool to reduce poverty, restructure the economy and to raise the standard of living for the people in this country. As in other countries, Malaysia considers education as an investment in human capital. It contributes to the economic and social development as it creates a more productive labour force by endowing it with increased knowledge and skills. It also improves their abilities to acquire and use information enabling them to adapt more effectively to a rapidly changing environment. Investment in human capital enhances other types of investment. This is because physical capital becomes more productive when combined with a more educated labour force. It is believed that human resources of a nation would ultimately determine the character and pace of its economic and social development (Todaro, M.P 1977).

Malaysia is on the road to achieving the status of a fully developed nation by the year 2020. This intensified the demand for a competent and highly skilled labour force that is well trained and possess multidisciplinary skills. This is needed to support new industries and economic activities in the country. To meet this demand, Malaysia has invested substantially in education and its training system in order to enhance its international competitiveness. Under the Eighth Malaysia Plan, the government has allocated RM 22.7 billion on education. This constituted 21% of total allocation during the plan period.

Investment in education especially on higher education increases a person's productivity and his employability. This in turn would increase his income, prestige and social status (Lee K.H 2000). These perceived benefits of education have attracted many to enter tertiary education. This leads to an increase in the number of public and private local institutions of higher learning in Malaysia over the last 3 or 4 decades which provides more opportunity for students to pursue their tertiary education. According to the Eighth Malaysia Plan, total enrolment of tertiary education in public institutions is expected to rise from 321,729 in the year 2000 to 526,679 in 2005. In Sarawak, the setting up of both public and private higher learning institutions such as *Universiti Malaysia Sarawak* (UNIMAS), *University Of Technology Mara* (UiTM), *INTI college*, *Universiti Tun Abdul Razak* (UNITAR), provide alternatives for students to pursue their Diploma or Degree courses. These institutions churn out an increasing number of graduates each year. UiTM alone accounts for almost 17% of the output of professional technical manpower during the 1996-2000 period. There is an urgent need to assess the marketability of graduates. Unplanned investment would be wasteful as it results in mismatch.

The flow patterns of high-level manpower into Sarawak economic sectors show the mismatch or incongruence between the training and absorption of manpower (Jasbir Sarjit Singh et al, 1991). The mismatch exists when the skill mix of the human capital stock is not in balance with the requirements of the economy. Thus there is a need to balance the supply-demand of human capital through time and to structurally change the training and deployment of university graduates. Beside the professional Diploma in Banking offered by the Malaysian Institute of Bankers (IBBM), UiTM is the only local institution of higher learning that offers the DIB course. UiTM is able to enjoy this monopoly position until the onslaught of the financial crisis which hit Malaysia and many other Asian nations towards the end of 1997. This has adversely affected the economic growth in the country. The private and government sector alike in the country began to employ less graduates till the economy rebounded in 1999 (Eighth Malaysia Plan, p 96). In addition, with Bank Negara Malaysia's (BNM) policy pushing for local bank mergers and downsizing the number of financial institutions, there is a need to re-examine whether UiTM's investment in DIB should be adjusted or revised to avoid problems of mismatch.

Diploma in Banking Studies was introduced as early as July 1973 when the then *Institute Of Technology MARA* (ITM) branch was set up in Kuching, Sarawak. At that time, the first year students underwent the course together with students undergoing Diploma in Business Studies (DBS) since the subjects offered were similar. These students were later transferred to the main campus at Shah Alam to pursue their studies until graduation. Later, DIB was closed in Sarawak due to lack of academic staff and poor response from potential applicants. It was reintroduced in January 1990 as a full time course with a commendable intake of 32 students. On May 1998, Diploma in Banking Studies introduced its revised curriculum and thereafter changed its name to Diploma in Banking (DIB). This was necessary in order to meet the changing needs of the business environment and technology. It was a bold step taken by UiTM Sarawak which planned that DIB graduates could contribute towards a more trained and skilled manpower to meet the demand of the rapid industrialization and economic growth in Sarawak.

DIB, since its reintroduction in Sarawak has been able to maintain a considerable number of students. The course saw a gradual increase of between 5 to 10 percent in its student enrolment until 1999 when the total student enrolment of the programme dropped by 25.3% to 726 when compared to 1998. By 2001, the number has dwindled to 636. The economic crisis that occurred in 1997 has adversely affected the growth in the finance, insurance, real estate and business services. BNM mandatory directive on merging of local banks and other financial institutions would mean possible redundancy of employees in this sector. The finance and other business sectors are also expected to experience a drop in their average employment growth. These factors directly influence the continued downtrend of the DIB intake.

The overall improved performance of the economy during the Eighth Malaysia Plan period is expected to boost employment growth in the country. The demand will be for high-level skills as the economy moves towards higher capital intensive and knowledge based production process. The thrust of human resource development in the Eighth Malaysia Plan is the enhancement of the qualitative aspects of human resources in line with the needs of the knowledge-based economy. Hence, DIB graduates would be expected to meet this requirement by being more competent in the changing needs of industries and technological advancements. Questions have been raised as to whether the curricula and orientation of the DIB programme are market driven and anticipatory of future needs of the economy?

These problems arise because of a lack of information regarding the transition between higher education and work. So far, studies on the contributions of UiTM graduates towards human resource development in Sarawak did not include how employable and successful the graduates were in meeting the manpower requirements of the state economy. It is then proper for a study to be made to evaluate whether the investment in DIB course does meet the expectation of human capital development in Sarawak.

The main objective of this paper is to trace the progress of the DIB graduates of UiTM Sarawak. In particular, the following areas are explored: graduates' employability and career pattern, the relationship between their academic achievements and their current socioeconomic development, the relevance of the course from the respondent's view with respect to the jobs that they are doing, and finally the relevance of the DIB curriculum in meeting the changing demand of human capital requirement of Sarawak in particular and Malaysia in general.

2.0 MATERIALS AND METHODS

2.1 Review of related work

In most graduate studies, the common themes discussed include the pattern of graduate employment, period of waiting before getting their first job, methods used in job search, the appropriateness of their employment, and returns to higher education. With respect to the pattern of graduate employment, many studies have shown that it is closely related to the field of study and area of specialization (Osma Kivinen 2000). For example, Osma Kivinen et al (2000) observed that employment is closely linked to the field of study in Finland. The state and local authorities employ most of the graduates in education, medicine, humanities and social sciences but graduates in Economics and Engineering were employed mainly in the private while most theology graduates worked in Lutheran church. Earlier studies at the national level indicates that the public sector (government or semi government) is the largest employer for both government sponsored and private graduates (Jasbir Sarjit Singh et al, 1991; Yap Yin et al 1993;). observed that almost $\frac{3}{4}$ of the graduates in Sabah and Sarawak were employed in government departments. However, more recent studies show a different trend in graduate employment (Wan Akil, 1998; Abdul Halim, 2000). These studies show that more graduates worked in the private sector than the public sector. For example, in Abdul Halim's study (2000) on the first placement among UiTM graduates between 1997 to 2000, a high proportion of between 62.2% to 89.8% worked in the private sector.

One notable feature among graduates employment is that the transition from study to employment has become longer. For example, Herald Schomburg (2000) noted that in Germany most graduates start their employment within the first six months after graduation. However, some may need a longer period of job search. Jasbir Sarjit Singh et al (1991) noticed that the majority of graduates in Sabah and Sarawak were able to find jobs almost immediately or within six months after graduation. Only a small proportion had waited for more than twelve months. However, government sponsored graduates seem to get jobs much more quickly when compared to private graduates.

Many studies have revealed the positive relationship between level of education achieved by an individual and his earning potentials (Ulrich Teichler 2000; Abdul Halim 2000). All these studies seem to reach a consensus that a higher level of education brings higher returns. For example, Ulrich Teichler's study (2000) on eight European countries (Austria, Finland, France, Germany, Netherlands, Norway, Spain, and UK) showed that higher educational attainment brought higher monetary returns. He noticed that graduates in these countries on the average earned more than one and a half times as much as those having completed upper secondary. Abdul Halim (2000) substantiated the positive relationship between higher academic qualifications with higher income. He noted that a diploma graduate earned between RM 959 to RM 1100 per month while a bachelor holder commands a higher wage that range from RM 1200 to RM 1700 per month.

2.2 Research Methodology

In line with the objectives, the study intends to answer the following research questions of (1) What is the occupational profile of the DIB graduates? (2) What is the employability level and career patterns of the DIB graduates? (3) What do the DIB graduates think of the training they received from UiTM? (4) Is there a need to adjust the DIB course in UiTM Sarawak?. The instrument used in this research was a set of mail questionnaire. The questionnaire consists of four sections namely demographic information, academic information, employment information, and importance and relevance of curriculum. The target population of this study was the graduates of Diploma In Banking full time students of MARA University Of Technology, Sarawak Branch from semester May 1993 to semester April 2001. The sampling frame from the Student Affair Department shows that a list of 613 graduates (complete addresses) that had completed the program within this period. Respondents are from the respective year of graduation. A total of 240 respondents have been obtained and this number exceeded the minimum sample size needed as per requirement of 236 samples recommended by Krejcie and Morgan (1970). A recommendable response rate of 39.2% is achieved as necessary steps in questionnaire design were applied. The data analysis mainly employ the descriptive statistics. The statistical procedures are organizing research data using frequency distribution and graphic form, measures of central tendency (mainly the mean) and measures of variability. Correlation analysis is used to evaluate the relationship between the respective variables. Besides that it is also used to express in mathematical terms the degree of relationship between the two variables. The strength of the relationship of two variables is determined by using the Davis's Index of correlation

coefficient (r). The table describes coefficient of 0.01-0.09 (ignore), 0.10-0.29 (weak), 0.30-0.49 (moderate), 0.50-0.69 (strong), and 0.70 or more (strong).

RESULTS AND DISCUSSION

Four main areas with respect to employment of DIB graduates are analyzed: their academic achievement and their current status, their employability and career pattern, their remuneration, and the importance and relevance of the curriculum to their current work place. Data is mainly presented in tabular form. However, in some tables, number of total respondents do not add up to 240. This is due to the failure to locate the missing cases. This study is mainly descriptive in nature. Correlation analysis is used to see whether there are any significant differences of job patterns from the aspects of socioeconomic (remuneration), academic performance and workplace. In addition, Correlation research was used to study the strength and direction of relation between curriculum in the class and its application in the workplace.

3.1 Graduates Background

Out of the total of 240 respondents, 69.6% (167) were females while 30.4%(73) were males indicating that DIB programme is dominated by female students (Table 1). The survey indicated that majority of the respondents were Malays which constituted 60% (144) of the total respondents. This is followed by Iban with 22.9% (55), Bidayuh 12.1% (29), Kayan 2.1% (5) and others 2.9% (7). These others include Kedayan, Kelabit and Kenyah.

Table 1: Distribution of respondents by gender and ethnic groups

Ethnic groups	Gender				Total	
	M No	%	F No	%		
Melayu/ Melanau	47	64.4	97	58.1	144	60.0
Iban	17	23.3	38	22.8	55	22.9
Bidayuh	7	9.5	22	13.1	29	12.1
Kayan	1	1.4	4	2.4	5	2.1
Others	1	1.4	6	3.6	7	2.9
Total	73	100.0	167	100.0	240	100.0

Many of the DIB graduates were direct intake students in which they have met the minimum entry requirement for the Diploma program. Out of 240 respondents, 132 (55 percent) used their SPM results for the entry requirement. The other 2 (0.8 percent) had their STPM qualification (Table 2). The remaining graduates (44.5 percent) were offered Preparatory Commerce (Precom) course for one or two semesters in UiTM before they were admitted to the DIB program. Students from Precom were later given the choice to choose several Diploma program they wish to pursue.

3.2 Academic Achievement

Academic achievement has long been used as an important criterion for entry into employment. The skill that the workers acquired during their training in the educational system is crucial in achieving long-term competitiveness for our economy. While the educational and skills levels of the work force is an important element, of greater importance is the ability to translate the knowledge into enhancing the capabilities of the business. Realizing this, organizations are particularly looking for the soft skills that the workers portray. The workers' ability to adapt themselves to new skills and at the same time able to interact and communicate effectively will enhance productivity and efficiency in the workplace.

In this study, the respondents' academic achievement was measured based on the Cumulative Grade Point Average (CGPA). The CGPA provides the weighted result of the students academic performance accumulated throughout their first through their final semester. It is found that a higher percentile of the DIB graduates obtained CGPA of below 3.00. The female gender, however, fare slightly better with 17.6 percent (29 females) of them obtained a CGPA of 3.00 and above as compared to only 12.3 percent (9 males) of the their male counterparts. This finding seemed to be in line with the female students obtaining better results in the SPM (*Sijil Pelajaran Malaysia*) public examination and later given entry to institutions of higher learning (Eighth Malaysia Plan).

The findings show that students from SPM and STPM who were directly offered DIB tend to fare relatively better than their Precom counterparts. The study showed that 20.4 percent of SPM and STPM students obtained a CGPA of 3.00 and above as compared to only 11.3 percent amongst the Precom (Table 2). Even though the students from the Precom program were exposed to remedial courses such as Mathematics, Accounting and English, these have not really achieved the objective of having qualified students undergoing the Diploma programs. The academic achievement of SPM students however tend to be more dispersed compared to the intake from Precom. Some 18.4 percent of the SPM students obtained CGPA below 2.50. This could be due to the lack of exposure to the remedial courses that the Precom students tend to enjoy. It can also be argued that good grades in the public examinations do not necessary imply a high level of intelligence, or perhaps more importantly, the converse that weak grades do not necessary imply a low level of intelligence (Lee K.H et al, 2001)

Table 2: Respondents CGPA by Academic Qualifications

CGPA	Academic qualifications							
	SPM		STPM		PRECOM		TOTAL	
	No.	%	No.	%	No.	%	No.	%
2.00 – 2.49	44	18.4	-	0	43	17.9	87	36.2
2.50 – 2.99	62	25.8	-	0	51	21.3	113	47.1
3.00 – 3.49	25	10.4	2	0.8	10	4.2	37	15.4
3.50 – 4.00	1	0.4	-	0	2	0.8	3	1.3
TOTAL	132	55.0	2	0.8	106	44.2	240	100

Malaysian government strategies as contained in official reports have been proposed to promote lifelong education so that people can continuously update their knowledge and skills (Lee K.H et al, 200). In line with this, it is UiTM’s objective to make sure that as many of its Diploma graduates continue their studies to a more advanced and professional level. This study shows that 103 (42.9%) respondents are currently pursuing further studies (Table 3). Fifty three respondents were studying full time while another 50 respondents were studying on a part time basis while they work. Most of these graduates are pursuing either Advanced Diploma, Bachelor Degree, Professional qualifications in local institutions such as UiTM , the University of Malaysia Sarawak (UNIMAS), and UNITAR. The latter group of students are considered full time workers in this study.

The state of Sarawak, in particular, needs more educated and skilled workforce to meet its growing economic sectors. By continuing their studies to degree and post-graduate levels, Diploma graduates shall enhance and develop their skill and be able to meet the labour force requirement of the state. It is found that the graduates who continued their studies have a mean CGPA score of 2.8056 as compared to 2.4957 of those who did not continue their studies. The mean score for those that furthered their studies was also narrowly dispersed. Table 3 shows the number of graduates that furthered their studies. About 42.9 percent of the respondents continued their studies. Most of them (64.1 percent) had a CGPA of between 2.50 – 2.99. This was in line with the most number of graduates (47.1 percent) obtaining a CGPA at this range. Many of these graduates (61.2 percent) that furthered their studies were direct intake students with SPM qualification before they did their DIB.

Table 3: Respondents Academic Achievement by Further Study and Academic Qualification Before DIB

Academic Achievement (CGPA)	Further Study		Academic Qualification Before DIB					
			SPM		STPM		PRECOM	
	No.	%	No.	%	No.	%	No.	%
2.00 – 2.49	8	7.8	5	4.9	-	0	3	2.9
2.50 – 2.99	66	64.1	40	38.8	-	0	26	25.2
3.00 – 3.49	27	26.2	17	16.5	-	0	10	9.7
3.50 – 4.00	2	1.9	1	1.0	-	0	1	1.0
TOTAL	103	100	63	61.2	-	0	40	38.8

3.3 Employment Pattern of Graduates

The employment rate of the respondents reflects their marketability in the labour market. Generally, a high employment rate would indicate that the graduates are well accepted by the market and vice versa. This study shows that 144 respondents were working at the time of survey. This constitutes a fairly high rate of employment of 75.8%. Amongst the employed, there were more females than males (65.3% as against 34.7%). The higher female employment rate when compared to the male is mainly due to the larger number of female graduates. The unemployed constituted 19.2% (46) of the total graduates surveyed. This number may seem a bit high among the graduates but is not worrisome as the problem is more prominent among the younger recent graduates. Majority (89.1%) of the unemployed are aged between 22 to 26. It is highly possible that most of the unemployed in this age group could have just completed their diploma program and were searching for job vacancies.

Majority of the respondents (67.4%) worked in the private sector. Only 31.2% were working with the government (Table 4). This is in contrast with findings from other studies in the state (Jasbir Sarjit Singh et al 1991; Yap Yin et al 1993). Jasbir Sarjit Singh et al (1991) indicated that about three quarters of the graduates in Sabah and Sarawak worked in the public sector while YapYin et al’s study (1993) among UiTM graduates from all disciplines revealed that 57.9% of graduates worked in either the government or semi government sectors while 42.1% worked in the private. This tends to suggest that while there were more graduates in the past who took up employment in the government sector, there is an increasing number of graduates who seek employment in the private sector. This situation is most probably due to the nature of DIB programme which prepares graduates mainly for the private particularly the banking sector. This pattern is also observed in Wan Akil’s study (2000) among UiTM graduates from all disciplines. He observed that there are more graduates who worked in the private sector (51.0%) than in the public. This trend of graduates employment is further supported by Abdul Halim (2000) in his studies among UiTM graduates in Shah Alam. His studies which covered graduates employment from the year 1997 to 2000 revealed that between 62.2% to 89.85% of graduates worked in the private sector. Those who worked in the other sectors which include the public sector, statutory bodies and government owned private companies, range from 10.2% to 37.8% during the period of study. Despite the concerted efforts from government to encourage Bumiputeras’ participation in business, it is surprising to note that most graduates do not follow this route. The study indicates that only 2 (1.4%) of the DIB graduates is self-employed in business after graduation.

The largest employer of the DIB graduates is the government service industry which employed 21.5% (31) of the graduates (Table 5). This is closely followed by the Finance, Insurance sector which employed 20.8% of the graduates. Another 7.6% worked in Transportation, Storage & Communication, 6.9% in manufacturing sector, 6.3% in construction and another 5.65% was employed in Agricultural sector. The percentage of graduates engaged in other sectors are very small. It is interesting to note that most male graduates work in three main sectors: the finance sector (34.7%), government Service(16.3%), and the Agricultural sector(10.2%). On the other hand, the industrial sectors that employ the largest number of female graduates are Government Services (26.1%), and Finance (14.8%).

More than 40% of the respondents are administrators, 13.2% clerical personnel, 10.4% in professional and technical category, and 9% each as teacher, nurses and service personnel (Table 6). Employment in other employment categories are very small. Female respondents tend to dominate in two employment categories; Clerical personnel, and teachers and nurses. Male graduates seems to concentrate on administration, professional and technical and sales personnel. All graduate teachers and nurses work in the government sector, while all the clerical and sales personnel, and production personnel are employed in the private sector. In addition, a large proportion of the graduate administrator (60%) and service personnel (80%) are working in the private sector. However, there is fairly equal share of graduate professional and technical between the government and private sectors.

Table 4 : Distribution of graduates by employment sector and gender

Employment Sector	Male		Female		Total	
	No	%	No	%	No	%
Government	17.0	34.0	28.0	29.8	45.0	31.2
Private	33.0	66.0	64.0	68.1	97.0	67.4
Self employed	-	-	2.0	2.1	2.0	1.4
Total	50.0	100.0	94.0	100.0	144.0	100.0

Table 5 : Distribution of graduates by industrial sector and gender

Industry \ Gender	Male		Female		Total	
	No	%	No	%	No	%
Agriculture, Forestry.....	5	10.2	3	3.4	8	5.6
Manufacturing	3	6.1	3	6.1	10	16.9
Construction	3	6.1	6	6.8	9	6.3
Electrical, gas & water	-	-	2	2.3	2	1.4
Transportation, storage & Comm.	4	8.2	7	8.0	11	7.6
Wholesale & Retail, Hotel....	2	4.1	3	3.4	5	3.5
Finance, insurance.....	17	34.7	13	14.8	30	20.8
Government Service	16.3	8	23	26.1	31	21.5
Others	7	14.3	24	27.3	31	21.5
Total	49	100.0	88	100.0	137	100.0

Table 6: Distribution of graduates by job designation, employment sector

Job Designation \ Sector	Government		Private company		Self employed		Total	
	No	%	No	%	No	%	No	%
Professional & Technical	7	16.3	8	8.6	-	-	15	10.9
Teachers and Nurses	13	30.2	-	-	-	-	13	9.5
Administration	21	48.8	38	40.9	1	100.0	60	43.8
Clerical Personnel	-	-	19	20.4	-	-	19	13.9
Service Personnel	2	4.7	11	11.8	-	-	13	9.5
Production Personnel	-	-	7	7.5	-	-	7	5.1
Total	43	100.0	93	100.0	1	100.0	137	100.0

The graduates were able to find their first jobs fairly quickly. This indicates a relatively short transition between higher education and work. Table 7 shows that nearly 30% of the graduates were able to find their first job immediately upon their graduation. Within eight months after graduation, 77.1% of the respondents were able to find their first job. About 87% were able to find their first jobs within 12 months. Only a very small proportion had waited for more than 24 months. Graduates who are employed in the private sector have a slight edge over their counterparts in the government sector in getting their first job. The proportion of graduates who found their first job in the first 8 months was higher in the private sector (81%) than in the government sector (68.2%).

Table 7: Distribution of graduates by period of waiting and industrial sector

Sector \ Time waited	Government		Private Sector		Self employed		Total	
	No	%	No	%	No	%	No	%
Immediately	7	15.9	20	21.1	1	100.0	28	20.0
< 4 months	14	31.8	30	31.6	-	-	44	31.5
4 - 8	9	20.5	27	28.4	-	-	36	25.7
8 - 12	5	11.4	9	9.5	-	-	14	10.0
12 - 16	4	9.1	4	4.2	-	-	8	5.7
16 - 20	1	2.3	2	2.0	-	-	3	2.1
20 - 24	2	4.5	-	-	-	-	2	1.4
> 24 months	2	4.5	3	3.2	-	-	5	3.6
Total	44	100.0	95	100.0	1	100.0	140	100.0

3.4 Graduates' remuneration

Market supply of labour depends on the number of people willing and able to do the job at each given wage rate. This depends on the number of qualified people, the non-wage benefits or costs of the job (such as the pleasantness or otherwise the working environment, job satisfaction or dissatisfaction, status, power, the degree of job security, holidays, perks and other fringe benefits), the wages and non-wage benefits in alternative jobs (John Sloman, 2000, p. 225). The term 'returns' in this study is taken synonymously with earnings, income or wages. The monetary benefits of education in the form of higher income, wages or bonuses received by an individual is discussed. However, no attempts have yet been made to evaluate the non-monetary benefits of education.

The DIB graduates are mainly concentrated in the gross monthly income range of RM500-RM2000. This is higher than the income earned by upper secondary students in the government sector who command a starting salary of between RM 500 –RM 900. There is a clear link between gender and income earned. The male DIB graduates earned higher income than the female graduates. This is obvious for income groups of RM1500-RM1999 and RM2000-RM2499 (Table 8). Business studies graduates in United Kingdom experienced the same phenomena. According to Coates and Koerner (1996), there is gender inequality in remuneration of business graduates.

Table 8: Current Income by Gender

Gross Monthly Income (RM)	Gender				Total	
	Male		Female		No.	%
	No.	%	No.	%		
< 500	3	6.0	2	2.1	5	3.5
500 – 999	11	22.0	37	39.4	48	33.3
1000 – 1499	11	22.0	31	33.0	42	29.2
1500 – 1999	15	30.0	20	21.3	35	24.3
2000 – 2499	9	18.0	3	3.2	12	8.3
2500 – 2999	1	2.0	1	1.1	2	1.4
Total	50	100.0	94	100.0	144	100.0

The graduates in the government sector tend to earn higher income as compared to the private sector (especially for income range of RM1000 – RM1999). This shows that the government sector places higher recognition for the Diploma and compensate more. The private sector is paying salary of between RM500 – RM1499 (Table 9). However both sectors are paying salary in the range of RM500 – RM1999. According to Jasbir Sarjit Singh (1991), the graduates in the public sector began at the fixed government rates which were higher than what the private sector paid to fresh graduates. Nevertheless, graduates should prepare themselves to excel in the private sectors as employment in government sector is estimated to increase by 2.1% per annum only (during the OPP3 period) as compared to 4.1% for non-government sectors.

DIB graduates who work in the finance, insurance, real estate, and business services are earning relatively higher gross monthly incomes. This category of industry is much related and relevant to the Diploma in Banking programme, especially the finance and banking industry. However, it is a surprise to note that only about 21% of the DIB graduates work in this industry. This knowledge and skills and employment mismatch should be addressed and overcome soonest possible. Under the OPP3 (2000 – 2010), the main sources of employment growth will come from the manufacturing and services sector, which expected to grow at 4.1% and 3.7% per annum respectively.

This study shows that those holding job designation of professional & technical, teachers & nurses, and administration are earning relatively higher incomes as compared to the clerical, service personnel and production personnel categories. This clearly depicts the functional distribution of income which concentrates on the managerial posts. However, the significant power of trade unions may help to improve the fate of the clerks especially those who work in the financial services sector.

Table 9: Current Income by Employment Sector

Gross Monthly Income (RM)	Employment Sector				Total	
	Government		Private		Self-employed	
	No.	%	No.	%	No.	%
< 500	1	2.2	4	4.1	-	-
500 – 999	8	17.8	40	41.2	-	-
11000 – 1499	12	26.7	28	28.9	4	100.0
1500 – 1999	19	42.2	16	16.5	-	-
2000 – 2499	4	8.9	8	8.2	-	-
2500 – 2999	1	2.2	1	1.0	-	-
Total	45	100.0	97	100.0	1	100.0

There is no measurable link between academic performance (as indicated by CGPA) and the subsequent earning level of DIB graduates ($r = 0.348$, $P < 0.05$, $\alpha = 0.05$). However, students who obtained a professional qualification after the completion of their diploma programme can stay a better chance to earn relatively higher incomes. This findings are in line with Coates and Koerner (1996). Higher qualification does not necessarily guarantee higher pay. There are still degree holders falling into the income group of less than RM1000. Marketplace appears to prefer the solidity of a professional qualification to the more esoteric benefits of a higher degree.

Under the OPP3 period, Malaysia's labour productivity growth is expected to increase by 4.2% per annum for all sectors, in line with the shift towards the knowledge-based economy. The marginal productivity theory states that the demand for a factor of production depends on its marginal revenue product (MRP). The rational employers will reward more for the more productive and experienced labour. The incomes of DIB graduates tend to increase positively with the number of years graduated from the University (Table 10). Graduates need world wisdom, life and working experience in order to be more competitive and able to gain better income.

It is generally believed that the longer you work, the higher the pay. But this study shows that it is not always true (Table 10). There are other factors like necessary skills, performance, public relations, and others to be considered. The gross monthly income correlates positively with the length of service but the strength of association is rather weak ($r = 0.419$, $P < 0.05$, $\alpha = 0.05$). However, the two (2) students that earned the highest income have only worked for less than 18 months (working in financial services sector).

Table 10: Current Income by Number of Year(s) Graduated from UiTM

Number of Year(s) Graduated (N)	Gross Monthly Income (RM)						Total	
							No.	%
	<500	500 – 999	1000 – 1499	1500 – 1999	2000 – 2499	2500 – 2999		
	No. %	No. %	No. %	No. %	No. %	No. %		
9	- -	- -	2 4.8	4 11.7	1 8.3	- -	7	4.9
8	- -	- -	1 2.4	1 2.9	3 25.0	- -	5	3.5
7	- -	1 20.1	5 11.9	8 23.5	3 25.0	- -	17	11.9
6	- -	- -	4 9.5	4 11.7	- -	1 50.0	9	6.3
5	1 20.0	5 10.4	6 14.2	11 32.4	2 16.6	1 50.0	26	18.1
4	- -	9 18.8	8 19.0	5 14.7	1 8.3	- -	23	15.9
3	2 40.0	17 35.4	9 21.5	4 2.9	1 8.3	- -	31	21.5
2	1 20.0	13 27.1	5 11.9	- -	1 8.3	- -	20	13.9
1	1 20.0	3 6.2	2 4.8	- -	- -	- -	6	4.2
Total	5 100 (3.5%)	48 100 (33.6%)	42 100 (29.4%)	34 100 (23.8%)	12 100 (8.4%)	2 100 (1.4%)	143 100.0 (100%)	

3.5 Perceived Importance and Relevance of DIB Curriculum

The importance and relevance of the curriculum from graduates' point of view are examined as indicators for the programme's market orientation. Generally, the respondents graduates perceived that the core subjects offered were important for their future employment except for Other Language and Agama (Table 11). Banking and Finance scores the highest mean 6.65 and the lowest standard deviation 0.76 as compared with other subjects. This is understandable as they are Diploma in Banking graduates who wished to join banking or finance sector when they graduated. The Programme has placed much emphasis on these core subjects in the syllabus. The second highest mean is English, with the score of 6.49. It shows that the respondents were aware that they have to master English language since English is the main communication medium in working society. The respondents also gave their feedback that Other Language and Agama, with the mean score 4.65 and 4.51 respectively, were the least important subjects in the DIB program.

The working graduates have rather poor perception on the relevance of numerous core subjects especially the Banking and Finance. There is a gap of 26.9% between the respondents' perceived importance and relevance on this subject with the mean score of 4.75. The high value of standard deviation, 2.14, also indicates that a lot of respondents felt that Banking and Finance is not very relevant to their work or career. This is in line with the finding of only 21.9% of the respondents that are employed in the Finance, Insurance, Real Estate & Business Services industry. There are three (3) subjects with mean scores below 4.00, these are Law, Other Language and Agama. It's obvious that the respondents considered that these three subjects as not that relevant. On the contrary there are two (2) subjects with mean score over 6.00, these are Computer/IT and English Language. It gives a real picture of present employment requirement: good computer based skills in your daily work and fluent English in daily communication.

Table 11: Importance and Relevance of core and non core subjects offered in DIB program

Core Subject	Importance		Relevance	
	Mean	Std. Deviation	Mean	Std. Deviation
Banking & Finance	6.65	0.76	4.75	2.14
Accounting	6.44	0.84	5.04	2.18
Economics	5.99	1.05	4.61	1.74
Mathematics	6.11	1.08	5.47	1.69
Management	6.01	0.95	5.63	1.47
Marketing	5.60	1.15	4.61	1.89
Computer / IT	6.37	0.90	6.09	1.47
Law	5.18	1.38	3.99	1.94
English Language	6.49	1.65	6.31	1.18
Other Language	4.65	1.41	3.92	1.73
Agama	4.51	1.98	3.67	2.10
Non core subject				
Public Speaking	6.45	0.92	6.08	1.42
Communication	6.58	0.76	6.61	0.80
Leadership	6.34	0.86	5.99	1.24
Interpersonal	6.33	0.79	6.15	1.06
Computer Literacy	6.50	0.75	6.23	1.28
Report Writing	6.06	1.03	5.51	1.68

Besides the core subjects, non core subjects play a very important role in building up students' ability to compete in their job market. If the students learn as many skills as possible in their training, the chance for them to get better jobs and better pay is higher. From Table 11, the mean score given by the respondents before working were very high, at the average of over 6.00 for all non core subjects. This shows that the respondents were aware they have to equip themselves not only academically, but also excel in various skills such as communication, computer literacy, interpersonal, public speaking, leadership and report writing.

Non core subjects are well perceived as important and relevant subjects. The most obvious being communication skill. Table 11 shows that the mean score for Communication is 6.61, which is higher than mean score for importance. Communication skill plays a critical role in their work. However, computer literacy is the exception. The correlation coefficient (importance-Relevance) for computer literacy is 0.293 and there is a weak relationship between the perceptions.

4.0 CONCLUSION & RECOMMENDATIONS

4.1 Conclusion

This study revealed some significant findings. With respect to academic achievement, the findings indicate that the mean CGPA of the respondents is 2.624 which is second class lower. This gives a relatively low competitive edge to the respondents in employment. The direct intake students i.e those who came in with SPM & STPM qualifications performed better than Precom students. A substantial proportion of the respondents (42%) furthered their studies after they have completed their Diploma. This indicates a distinct enthusiasm amongst the DIB graduates to better themselves through further academic study. This group of students also tend to fare better in their academic achievement (mean CGPA is 2.8056) than those who did not further their studies.

The relatively high employment rate of 75.8% and relatively short job search period of 12 months indicate that the respondents do not have many problems in securing employment. However, with the expected increase in number of graduates from other higher learning institutions in the state (both public and private), competition for jobs may become tougher in the near future. Graduates who are employed in the

finance, insurance, real estate and business services sector earn much higher income than those who are employed in other industrial sectors. However, only 21 % of the respondents are involved in this sector. This indicates a knowledge and skills and employment mismatch which should be overcome as soon as possible. Ideally, the diploma graduates should hold at least the junior managerial posts if they enter the relevant employment and industrial sectors. However, the finding reveals that a large proportion (53.2%) of the respondents are either administrators or clerical personnel. Very few (10.4%) are in the professional and technical category. The study also shows that there is a disparity in income earned between male and female graduates. Generally, male graduates earn higher incomes than female graduates. Graduates employed in the government sector earn higher income than those in the private sector.

The respondents perceived that the core subjects offered in the DIB programme especially the Banking and Finance subjects were important for their future employment. However, they have poor perception on the relevance of these subjects in their present employment. There is significant importance-relevance gaps in DIB core subjects except "Agama". Non core subjects are perceived by the graduates as important and relevant to their work and career.

Recommendations:

Based on the findings of this study, the following recommendations are suggested.

First, academic achievement generally can increase a graduate's chance of obtaining higher education, employability and possible higher future income though this study does not have strong evidence to support this. Good academic performance (CGPA) needs to be maintained in order to enhance graduates' competitiveness in securing better jobs. However, of equal importance if not greater, is the need to emphasize non core subjects such as communication in curriculum design. This is necessary to prepare our graduates to meet the challenges of globalization where both good oral and written communication skills are an added advantage in enhancing our level of competitiveness in the world market.

Second, as Malaysia is preparing itself to move into a knowledge - based economy, necessary revisions are needed for most DIB core subjects to suit and match employment needs in the state. In addition, while most core subjects should be emphasized and continued, if necessary add more relevant ones to meet current market needs. For example, subjects that are related to Information communication Technology (ICT), and global perspective.

Third, in view of the low involvement of graduates in entrepreneurial activity, course developments should emphasize more on skills which are more geared to individual enterprise rather than preparing them for employment in the corporate world.

Fourth, continue to encourage DIB graduates to pursue higher degree of education for better prospect especially income. Emphasis should be placed on the development of courses and curricula which enable students to gain skills and knowledge to facilitate entry into a much wider range of professional bodies. This will have a positive effect on their job prospects and potential earning power.

Fifth, DIB undergraduates should undergo industrial attachment before graduation in order to prepare the pathway for their employment. UiTM could have better networking or smart-partnership with relevant corporate sectors especially the financial services sector for this.

Sixth, academic performance of Precom students fall far below the direct intake students (those who enter with either SPM or STPM qualification). There may be a need to review and restructure the remedial courses that are offered to the present Precom students.

Seventh, employability of DIB programme needs to be reviewed regularly. This can be done through systematic and consistent study of their graduates. Career pathways and experiences of graduates provide useful information as to the direction in which higher education like UiTM should be moving in the future. Future research need to be conducted on employer's view of the relevant skills and knowledge of graduates that are required by the banking industry.

REFERENCES

- Abdul Halim M..Nawawi (2000), Tracer study on the first Placement of UiTM graduates. UiTM Shah Alam. Unpublished data.
- Government Of Malaysia. 2001. The Third Outline Perspective Plan 2001- 2010. Kuala Lumpur: National Printing Department.
- _____. 2001. Eighth Malaysia Plan 21001-2005. Kuala Lumpur: National Printing Department.
- Harry Anthony Patrinos (2000), Market Forces in education. European Journal Of Education, Vol.35, No. 1,2000
- Harald Schomburg (2000), Market Forces in education. European Journal Of Education, Vol.35, No. 1,2000
- John Sloman (2000), *Economics*, 4th ed., Prentice-Hall International, Inc., USA
- Joop Hartog (2000), Market Forces in education. European Journal Of Education, Vol.35, No. 1,2000.
- Jean- Jacques Paul & Jake Murdoch (2000), Market Forces in education. European Journal Of Education, Vol.35, No. 1,2000
- Jim Allen et al (2000), Market Forces in education. European Journal Of Education, Vol.35, No. 1,2000
- Kotler and Amstrong (2001), *Principles of Marketing*, 9th Edition, Prentice-Hall Inc., Upper Saddle River, New Jersey, USA.
- Lee Kiong Hock et al (2001), Education And Work, The State Of Transition. Faculty Of Education, University Of Malaya, Kuala Lumpur.
- Michael P.Todaro (1977), Economics for a developing world. Longman Group Limited Longhouse House Burnt Mill, Harlow, Essex, UK. Second Edition.
- Nigel F. Coates and Roy E, Koerner (1996), How market Oriented are Business Studies Degrees? Journal Of Marketing Management, 12, 455-475.
- Osmo Kivinen, Jouni Nurmi & Ritva Salminitty (2000), Market Forces in education. European Journal Of Education, Vol.35, No. 1,2000
- Sarjit Singh, J. and Ozay Mehmet. 1991. Human Capital Formation in East Malaysia. Kuala Lumpur: Institut Pengajian Tinggi, Universiti Malaysia.
- Ulrich Teichler (2000), Market Forces in education. European Journal Of Education, Vol.35, No. 1,2000
- Wan Akil (2000), A tracer study on the ex-students of Mara University Of Teknologi, Sarawak Branch. Unpublish data
- Yap Yin et al (1993), The Contribution Of UiTM Towards Human Resource Development in Sarawak. Bureau Of Research And Consultancy. UiTM Shah Alam.