

## Technical and Vocational Education & Training (TVET) Institutions Towards Statutory Body: Case Study of Malaysian Polytechnic

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**Abstract:** The objective of this study is to extent of the impact of the statutory body of Malaysian Polytechnic on technical and vocational education and training (TVET) institutions. The process of empowering Polytechnics as the statutory body to be implemented through governance system that emphasizes the decline of power, greater autonomy in giving direction and clear accountability. It is necessary planning to ensure the acceptance of all parties and stakeholders in line with the Malaysian Education Development Plan (Higher Education). This study was done in order to understand the implementation of Malaysian Polytechnic in becoming a statutory body. The samples response to the interview question and gave their opinion and perception regarding the implementation of statutory body in polytechnic education. The result of this study states that Malaysian Polytechnic will be improved with its implementation as a statutory body. Therefore, this study is needed to provide an understanding of the implementation of Polytechnic institutions as the statutory body.

**Key words:** *Technical and Vocational Education and Training (TVET), Polytechnic, Statutory Body*

### INTRODUCTION

The Technical and Vocational Education and Training (TVET) mission in Malaysia is contributing to the economic and social development, in particular, the snap of culture qualified and competent to work. TVET policies are the consistent plan to achieve their development goals, which the government should be supported [1]. TVET addresses education and the importance of education for social transformation, economic and political.

Department of Polytechnic Education is actively involved in planning, developing and coordinating polytechnics throughout Malaysia. In the year 2010, the Polytechnic Transformation Plan (2010-2015) provides the roadmap to develop and strengthen the polytechnic system. It aims to give recognition to the polytechnic education sector and make polytechnics the preferred institution in the field of TVET. Emphasis will be given to manpower development and inculcation of excellent work ethics to produce a more

knowledgeable, highly skilled and marketable workforce with entrepreneurial capabilities. The plan also aims to change the public's perception of polytechnics by making the polytechnics high-quality institutions of international standards and the preferred choice of students as well as provide a viable alternative pathway to traditional university education.

In coming years, polytechnics planned to transform its status to the statutory body. The transformation may require the development of a new type of administration with a different focus that will continue to sustain the many needs of the educational system of the future and also the demand of skilled human capital by the industry. The Polytechnic must undergo an organized transformation phase for the implementation of a semi-autonomous and directed concept of a statutory body in order to make polytechnics more dynamic.

The transformation of polytechnics to statutory body gives them more power over management, training, financial and posts matters. The

transforming needs the development of a new management with a focus on the requirement by many of the educational system in future and also the demand of skilled candidates by the industry. Moreover, polytechnic institution will be given more authority in administrative matters, income generation and recruitment of staff. Polytechnics will be less financially dependent on the Government when they become a statutory body. Therefore, the polytechnics must organize the transformation phase for the statutory body implementation in order to make polytechnics more succeed.

Statutory bodies as defined by Statutory Body (Account and Annual Report Act) 1980 [Act 240] as;

*“Any corporate, irrespective of the name by which it is known, that is incorporated pursuant to the provisions of federal law and is a public authority or an agency of the Government of Malaysia but does not include a local authority and a body corporate that is incorporated under the Companies Act 1965.”*

There is no study to understand the process of the implementation of polytechnic institution as a statutory body in Malaysia. It is important to understand the process of the implementation as it gives exposure and awareness to the polytechnics' stakeholders and public regarding the transformation. The transformations agenda will be succeeded when polytechnic have strong organizational structure, leadership capability, awareness among citizens and involvement of adequate talented professionals. Therefore, this study will provide the knowledge and exposure to the stakeholders and publics.

## LITERATURE REVIEW

Malaysia needs of highly qualified human resources to bridge the current gap between supply and demand in various industries to accelerate the economic transformation particularly. The government has determined that the TVET sector as the main road in the supply of highly qualified human resources and also one of the main reasons for the Malaysian economy to become high-income countries. Although the study notes that measures have been taken to continuously improve the industry transforming TVET programs, it is imperative that the governance issues, the main players are facing in a systematic way, the

operating system to ensure delivery and addressed can be optimized [2].

The need to strengthen the TVET is recognized in many countries and trade unions. Because of technology innovation and globalization, getting higher incomes, thus reducing poverty. All of these concern the transformation of the vocational training system lead workers available with the skills and capabilities. For a diversified market economy and the expansion and strengthening of civil society in Malaysia, the quality and skills of human resources in 2020 to be crucial for the success of economic transformation and the realization of the vision of a Malaysia developed countries. According to the apparatus of economic programming work demand, it is expected in particular for the TVET sector, with the introduction of key national economic space to increase a strength of up to 3.3 million of which 1.3 million are to be TVET graduates.

The concentrated sectors are tourism, retail, urban development, health, and education. However, the current increase in labor supplies. If the government would not accept any specific initiative for the job, it would not be able to meet the demand that the work has estimated the deficit. Therefore, the needs of 1.3 million skilled workers in the area of TVET Malaysia would not be met. Moreover, currently only 28% are qualified by a global workforce of 12 million dollars, compared with a minimum of 40% of government employees are. Thus TVET has transformed must be flexible in their ability to anticipate and the need to anticipate the skills, so you can meet the demand for highly skilled workers [3].

TVET was already introduced in the pre-independence era. The history of technical and professional training began with the establishment of a polytechnic school in Kuala Lumpur, which overlooks the training offices for young people to offer. In 1930, the school expanded to Ipoh, Johor and Penang established. Professional development is essentially offered the basics of carpentry, repairs of machines, electrical cables and the construction of three years of training.

After independence, the government began to give great concern to the TVET, which is reflected in the development plans in Malaysia. During the time of

the first floor of Malaysia, a number of higher vocational educations colonized. The main function of vocational training centers is to provide qualified technicians, artists and artisans are urgently needed for the agricultural sector, industrial and commercial for the economy [4].

The creation of centers of TVET is limited to professional schools. In addition, it led to an increase in foreign investment by multinational companies in Malaysia in introducing new technologies and production processes and increased demand for highly qualified personnel, with advanced knowledge. Therefore, two training centers for advanced skills in cooperation with Germany and France, the number of students in technical and vocational schools have increased elaborate entrance.

So, in 1995, the professional changes happened in the vocational training system and changes to the restructuring and modernization of 69 vocational high schools. This reform not only the technical and vocational schools only on the skills acquired, but also to a number of institutions that also receive a technical and vocational training that works on the basis to help students, is limited to you and the community technical colleges universities [5].

Currently, the Institute for vocational training centers certified for skills development, formulated with specific titles, including Diploma and Higher Diploma, the government continually promotes and coordinates policies and programs. Department of Skills Development has been chosen as a key element of the country as a goal to achieve a high-income nation. This is to ensure that there is consistent, appropriate and timely offers versatile workers who meet the country's development. The great importance of the quality of education and training to improve, to raise awareness and improve the perception of TVET and to strengthen cooperation with the industry to better recognition were some of the new measures to be taken.

However, this transformation is not enough and tries to discuss how to TVET could be reformed into a better system, especially when the country needs to compete internationally in the era of globalization. More importantly, the government should the

vocational training system will be strengthened and also with the country's vision are aligned.

On this basis, this study is a review of the TVET transformation program in several departments and some problems and limitations in terms of governance in the vocational training system are expected. Government restrictions are very important to realize so that global action might be taken to improve the quality of governance system.

## **METHODOLOGY**

This study aims to understand the process of implementation of polytechnic institutions as a statutory body. In an effort to understand the process, participants were asked to respond to questions and reflect on their understanding. Data was obtained by interviewing two senior lecturers from Ungku Omar Polytechnic and one director from Ungku Omar Polytechnic. This chapter includes the research design, selection of the research sample, instrumentation, data collection procedures and data analysis technique.

## **SWOT ANALYSIS**

This study contains the reports of the Federal Government, proceedings papers, journals, and electronic products. The literature review should touch a superficial examination includes, so that the determination to analyze reading and thorough review of the draft consolidated summary. One of the strategies to collect and analyze data can be made of materials, which is the complete study can be undertaken through the review and analysis of documents. The similar process is used in the exploration of career choices of students in Malaysia [6].

An analysis on the various aspects of strengths, weaknesses, opportunities and threats should be conducted to view the major needs of the time and what are the problems that the institutions are facing in the recent times. This policy intends to consolidate and build on existing strengths and opportunities and at the same time addressing current and anticipated weaknesses and threats. The current situation can be summarized as follows:

**Strengths**

The strengths for TVET can be divided into four major components as follows:

*(i) Strengthening TVET Curriculum*

Under the Malaysian Education Blueprint 2015-2025 (Higher Education), TVET curriculum will be strengthened to produce high-quality TVET graduates that meet industry demand. Industry-led TVET curriculum is the key to ensuring that the quality and quantity of graduates meet industry requirements. TVET curriculum development will focus on critical and creative thinking as well as self-reliance learning among TVET students. "Problem, Project, Production" based learning modules which engage students in authentic, real world tasks intended to stimulate actual workplace situation, will also be embedded in the curriculum to better prepare students for the working environment.

*(ii) The political factors cause to strengthen the high-TVET*

While the government has been trying to raise the skills of the labor force by broadening access to TVET, the take-up rate has been low. According to Malaysia’s Economic Planning Unit, only 10% of students enroll in upper-level secondary technical and vocational education. In OECD countries, the average enrolment rate is 44% (EPU, 2010).

The government has strengthened the action plans which focused on high income by increasing skill-oriented programs to produce competent workforce, retrain unskilled workers, and up skill the trainers. In addition, community colleges will intensify collaboration with other TVET related agencies and the private sector in the development of the curriculum as well as the knowledge and technology transfer through apprenticeship.

*(iii) TVET recognized as a national priority*

Based on a review of historical development, [7] observed that the Malaysian TVET had progressively developed into three different streams, namely higher education; technical and vocational education; and skills training (see Table 1).

| Stream or Pathway                | Institutions  | Workforce Preparation  |
|----------------------------------|---|--|
| Higher education                 | Universities and other higher learning, both public and private | Professional and managerial personnel such as engineers, architects and surveyors. |
| Technical & vocational education | Polytechnics, technical colleges & community colleges           | Supervisory personnel such as technical assistants and supervisors.                |
| Skills training                  | Skills training institute, public and private                   | Skilled and semi-skilled workers.  |

**Table 1: Main Streams of the Education and Training System in Malaysia**

*(iv) Commitment of partners to support TVET development*

TVET holds the key towards driving engine of industrial and economic growth in the competitive global market. In view of this, the Ministry of Higher Education (MOHE) has launched the National Higher Education Blueprint (2015-2025) which charts the TVET landscape in Shifts 3 and 4. This sees TVET being transformed from being a less popular educational option as compared to the traditional university to being one of the most sought-after programs in the world of education.

**Weaknesses**

*(i) TVET Curriculum and methods do not meet the requirements of the labor market*

Lack of industry input in curriculum design has resulted in mismatch of skills required by industry and the skills attained by TVET graduates. Industries demand work-ready TVET graduates who are competent and multi-skilled. In addition, industries are burdened by multiple requests for collaboration from the multiple of TVET institutions and have highlighted the need for the coordinated platform for collaboration between industry and TVE institutions.

(ii) *Institutions that do not meet the requirements of existing TVET*

TVET diploma graduates accredited by Department of Skills Development (DSD) have limited access to continue their studies at degree level in the institute of higher education (IHE) due to more emphasis on practical components, different quality assurance mechanism and the perception that these graduates are less academically inclined. On the other hand, TVET graduates accredited by MQA have more accessibility to pursue higher education in IHEs as their curriculum is inclined to the academic track. This has led to unclear TVET articulation.

### **Opportunities**

There are certain opportunities that can help to redesign TVET and place it at the top of the human resources supplier for the labor market industry within the country. These opportunities are:

- (i) The international and regional concerns have to be sorted out so that new doors will open for the institutions to improve in various ways.
- (ii) Technological and technical support can be sorted from the developed countries in Asia and other continents. This will help to redesign the infrastructure of the institutions.

### **Threats**

The threats to the proper sustenance of TVET institutions are:

- (i) The budget for education is not adequate as set by the government. The basic education and the higher education budgets are not properly allocated as well.
- (ii) There are certain problems in the TVET connection for the development of the nation and regional areas as well.
- (iii) There are many conflicts of the skills of the workers, graduates and other people within the organization. Another impending threat on TVET is the competencies of the workers.

Some of the issues regarded to the TVET governance lead to the issues faced by the employers. Several departments and TVET certifications create confusion among employers about the quality and also difficult to determine the starting salary. Large differences in standards are worrying because this could lead to a false sense of further education in the public

TVET. In terms of recognition, many employers do not recognize the value of vocational training or not quite understand or be aware of the notes. Then it will affect initiatives that ensure the institutions of TVET that have a closer relationship with the government industry [4].

Therefore, a need exists for a functional classification system that has a minimum guaranteed met and strengthens the confidence of employers and students in the TVET area. It is also important to adjust a central body to help the sector through TVET and control, so that the execution of the harmonized processing program and may be presented in the optimal dispensing system. In this case, the government must increase the management to redefine delivery system performance TVET sector. The effective administration of the TVET sector is essential to unite the decisions and actions of multiple stakeholders on the performance and quality of the sector.

## **CHARACTERS OF POLYTECHNIC STATUTORY BODY**

The statutory body is a government agency through an act which is passed in Parliament that aims to provide the best service to the community by leveraging a combination of best practices in the public and private organizations. The main characters of Statutory Body in Malaysian Polytechnic are divided into four.

### **Human Resources or Human Capital**

The implementation of the polytechnic statutory body gives more viable career path to the staff, including academic and non-academic staff. The career path is subject to the approval of Department of Public Services. However, the Board of Directors of Polytechnic holds the power to appoint the polytechnics staffs. Meanwhile, the promotion of non-academic staff is based on time-based basis and criteria of excellence.

### **Financial**

The financial part is subject to Ministry of Finance. However, polytechnics have a better chance of generating their own income through training services, consultation, research and commercialization. In addition, the Polytechnic also have the authority to set up its own subsidiary. Other than that, the management of procurement and facility also be more efficient and effective.

### **Polytechnic Administration**

Currently, polytechnics are governmental departments; each polytechnic is headed by a Director. There are two different boards of directors who focus on different matter, as such academic matter and strategic matter. The head officer of Malaysian Polytechnic is so called as President or Chief Executive Officer (CEO). Besides that, Polytechnic Industry Advisory Council is set up as a link to the national industry sector.

### **Students Enrollment**

Students as the main customers in Polytechnic as their needs would have to be fulfilled efficiently and effectively, such as the need to acquire a valuable educational experience and good service quality. Graduates must be trained in entrepreneur skill in order for them to sustain in the respective industries. Therefore, the student enrollment fee is more competitive. The tuition fees are in accordance with the level and field of study.

### **RECOMMENDATION & CONCLUSION**

In TVET, strengthen the main priorities of the private training offer with the top agency clearly identified and mandated to coordinate the effective training programs and expand the development of national competition laws and TVET capabilities built centres. In higher education, the main priorities of research capacity must be developed to improve students targeting the financial support, the adoption of the funding formula for the allocation of public funds to universities that encourage responsibility and university autonomy and the politicization of the university system. Polytechnic also has a plan to make the transformation. Since 2009, there were planned to transform the polytechnic into university status. Then in 2015, they come with the new plan of transformation, which is to become a statutory body. With the transformation of Polytechnic to statutory body institution, it gives more power to Polytechnic itself in various part, as such human resources, finance, administration and student enrolment. Therefore, Polytechnic can make its own decision and be working to improve the quality of the TVET institution, in line with the government requirement. Polytechnic can cooperate with real industry in providing the skilled work candidate as needed by industry and country. Polytechnic want the TVET institution as the same level of traditional higher

institution and become one of the chosen institutions by school leavers and first certificate students.

This transformation requires changes in various part and the most important part is organizational working culture, this includes the staff, students, facilities, fund, management and so on. Through the introduction of transformation on TVET institutions, Polytechnic must sustain to be competitive in global education. Polytechnic has been through the evolution period of the education system. For more than 40 years of operation in TVET, Polytechnic has produced more than 300,000 semi-professional workforce and middle executives in various sectors. Now, it is time to further transformation to the statutory body which is believed can lift the polytechnics as a new brand in higher education as well as TVET institutions line. However, within the transformation phase, Polytechnic has to prepare contingencies plan in facing the unexpected issues and challenges in becoming the statutory body. Under the new governance structure, each Polytechnic becomes a branch campus of the statutory body.

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