



LEVERAGING THE HUMAN CAPITAL VALUES AND UNIVERSITY'S SUPPORT ON KNOWLEDGE TRANSFER PROGRAM FOR COMMUNITY IN MALAYSIA

Roslinah Mahmud, Rosle Mohidin, Noor Fzlinda Fabeil, Rostika Petrus Boroh and Junainah Jaidi

Universiti Malaysia Sabah

Roselina Ahmad Saufi and Mariam Firdhaus Mad Nordin

Universiti Teknologi Malaysia

Community transformation based on economic empowerment is one of most challenging issues faced by the government in ensuring continuous future development in Malaysia. The aspiration to shift from middle-income to high-income community required higher commitment from various stakeholders. Strengthening human capital value required community transformation which reflected in high value-added and knowledge-intensive activities that considered as one of the greatest available resources to heighten the Malaysia strategy in achieving continuous community development. Knowledge Transfer (KT) is declared in the Malaysian government blueprint as one of the program that aims to support the government's efforts to eradicate poverty and embracing community development through the transferring of knowledge, translating theories into practice and skills possess by the academia and graduate interns in the universities to the community at large. A total of 458 knowledge transfer projects were approved by the Malaysian government since 2011 to 2016 and out of that numbers, there are 352 projects under the flagship of community. Due the importance of the community development to the nation at large, the study attempts to investigate the effect of human capital values and University's support on the community development success based on a perception and experience of graduate intern (GI) in handling their KTP projects. Data were collected through structured questionnaires and regression analysis is conducted in this study. The findings reveal that human capital value and university's support are positively related to the community development performance. The result indicates the importance of casting of human capital value and affirmative support from the higher institution of learning (HIL) as an authorized agency in ensuring the success of KTP project.

Keywords: Community Development, Human Capital Values, Higher Institutions of Learning (HIL) and Knowledge Transfer Program (KTP).

Introduction

The Tenth Malaysia Plan (RMK-10) generates a new chapter of economy momentous as Malaysia get on a significant mission towards an advanced and high-income community development as intentional in Vision 2020. Malaysia has got countless phases in the economy and community development in the past

53 years of economy and country development. In current situation, Malaysia faces a different dimension challenges. One of the challenges is to experience economy transformation from a middle-income to a high-income economy by utilizing the available resources.

This ambition to be developed country required a shift towards higher value-added and knowledge-intensive effort. Based on the RMK-10, there are several programs sponsored by the Malaysian Government through Higher Institutions of Learning (HIL) or universities such as the Knowledge Transfer Program (KTP). The aims of the KTP are to test the capability of academia and graduate interns to transferring knowledge and skills that they have acquired in the universities to the communities and industries. The focus of the KTP is to transfer those knowledge and research outputs into meaningful values which can be accepted and valued by the communities and at the improve end to their well-being.

A study that has been done by Frank and Smith (2000) stated that community development is the planned evaluation of all aspects of community well-being. According to Gilchrist (2004) community development helps community residents to identify unmet needs and not only growth in the aspect of superiority in overall country economy . It seeks to build capacity by improving skill and knowledge for individuals and the community as a whole (Gilchrist, 2004).

According to Glenda Kruss al. (2015), there is a need for new theoretical, empirical and policy work on university support and economic development. In other view, there is some proving that economic development and community development has a relationship (Rabiul Islam al, 2016). Development in economy and social need required element of investments in human capital through the roles of university. The more community investment made through tertiary education, the more success they will gain in the future (Mincer, 1974). An addition to that, Academia and graduate role is to guide, train and coach the communities by transferring knowledge and skills which are needed in order fill the gap between economy and community development.

Literature Review

Community development has evolved over the past few decades into a recognized discipline of interest to three party; government, practitioners and academicians (Asnarulkhadi Abu Samah and Fariborz Aref, 2009). Frank and Smith (2000) stated that community development is a process where community members come together to take collective action and generate solutions to common problems such as community well-being. Community wellbeing such as economic, social, environmental and cultural are often progresses from this type of mutual action being taken at a common level. Overall, community development is referring to as an outcome based on physical, social, and economic improvement in a community.

Community development can be seen as building social capital for collective benefits. It uses skill and knowledge and essential strategy in their practice (Gilchrist,2000) that progress in the outcome of community development also contributed to developing community capacity building as well as economic development in local communities, efforts and the contribution of the nation's progress is people participation. Various policies have been enacted to achieve the mission in eradicate hardcore poverty from the Malaya Plan 1 to the New Vision Policy (2001-2010). However, the hardcore poverty issue among Malaysian communities is still there. As such, starting with the New Economic Policy, the government has begun to emphasize the human capital aspect through continuous education and training to ensure the goal of hardcore poverty eradication is achieved.

Human capital value is one of the keys for human and community development. Based on the theories, strong human capital value will lead to future development either for the human or economy (Beckers;1967, Mincer, J;1974, Schultz and Nelson-Phelps;1966 and Spence;1970). Human capital such as education for knowledge and skills that make people more productive and able to contribute to the economy is one of the fundamental factors that determine economic outcomes of communities and individuals (Loretta.J, 2015). For that purpose, since 2005, the government through the Ministry of Education has begun introducing innovations strategy through Knowledge Transfer Program (KTP).

Knowledge Transfer Program (KTP) Policy in universities that highlighted by Ministry of Education are to encourage the engagement between these two-party's industry or community and academician in the way to support, implement and also improve of New Economic Model of Malaysia to create a knowledgeable community and high-income nation in line with to strengthen Malaysia community development (Asnarulkhadi Abu Samah and Fariborz Aref, 2009). In a way to achieve high community development in Malaysia through collaboration between universities and community, the element of human capital value is very important. Sahebzadeh Behzad and Nobaya Ahmad (2012) claims that education is the method employed in community development to use for enhancing the quality of the human being especially with regards to knowledge and skill required to teach people on how to improve life through learning process.

In this study, human capital values are defined as knowledge, skills, professional ethics, readiness and experience of the community, academia and graduate interns that involved in KT project. Yao-Fen Wang and Chan Tsang (2014) found out that there is a relationship between university support, human capital and performance. Universities through their academia and graduates transferring knowledge directly to the community is expected to assist the government's efforts to eradicate poverty and community development as a whole. In a Meanwhile, the community development is referred to as the outcome based on physical, social, and economic improvement in a community through the KTP project which also involves financial and non-financial elements.

Methodology

This study will concentrate with community development as the dependent variable. While, human capital values in community, academia and the graduate intern will be independent variables. The objective of this study is to investigate the relationship between human capital value and community development performance through KTP performance in Malaysia. The theoretical framework of the relationship is as shown in Figure 1 below.

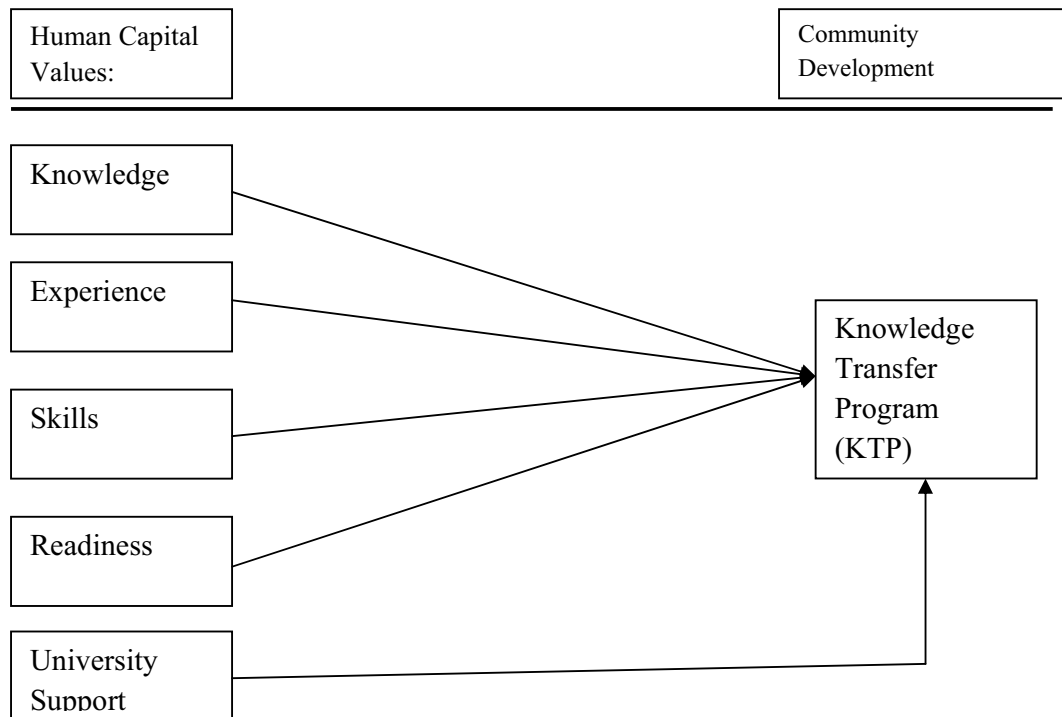


Figure 1. Theoretical Framework

The targeted population of this study is among graduate interns that involved in KTP community project. The selection of the sample is based on the list of data provided by the Centre of Knowledge Transfer Program (KTP) and the population is around 352 projects. The data is based on KTP community project rolling 1 – 4. Questionnaires were distributed through email and face-to-face interview to all graduate interns and out of that 81 graduate interns responded. The methodology of research employed was through survey questionnaires. A survey instrument with a 1-5 Likert scale is used. Items used to measure latent constructs are adopted from previous studies (Phillips R. and Pittman, 2008; Schofield, 2013; Ken and Cheah, 2012 and Shah and Nair, 2011). The data collected was reviewed and analyzed using SPSS Version 23.

Result

Table 1 shows the total number of respondents (Graduate Intern) responding to the questionnaires sent. A total of 81 respondents responded to the survey but only 78 questionnaires are usable for the analysis which comprises 78 projects under the KTP community grant.

Table 1. Graduate Intern Questionnaire Responses Based on University

University	Frequency	Percent
Universiti Sains Malaysia (USM)	5	6.4
Universiti Kebangsaan Malaysia (UKM)	6	7.7
Universiti Putra Malaysia (UPM)	35	44.9
Universiti Malaya (UM)	5	6.4
Universiti Teknologi Malaysia (UTM)	2	2.6
Universiti Utara Malaysia (UUM)	6	7.7
Universiti Malaysia Sabah (UMS)	5	6.4
Universiti Malaysia Perlis (UNIMAP)	1	1.3
International Islamic University Malaysia (IIUM)	3	3.8
Universiti Malaysia Pahang (UMP)	4	5.1
Universiti Teknologi Mara (UiTM)	6	7.7
Total	78	100.0

The result shows the highest number of respondents comes from Universiti Putra Malaysia (UPM) which is nearly 45 percent of the total respondents and followed by Universiti Kebangsaan Malaysia (UKM) 7.7 percent, Universiti Utara Malaysia 7.7 percent, Universiti Sains Malaysia (USM) 6.4 percent, Universiti Malaya (UM) 6.4 percent, Universiti Malaysia Sabah (UMS) 6.4 percent and the lowest UNIMAP 1.3 percent.

Table 2. Profile of Respondents

Gender	Frequency	Percent
Male	45	57.7
Female	33	42.3
Marital Status		
Single	66	84.6
Married	12	15.4

Education Level		
First Degree	60	76.9
Master Degree	18	23.1
Age		
21 – 25 Years Old	27	34.6
26 – 30 Years Old	39	50
31 – 35 Years Old	12	15.4

Table 2 shows the profile of respondents. The result shows the majority of the respondents are male with the total of 45 of them or 57.7 percent. Majority of the respondents are single (84.6 percent). In term of education level, 76.9 percent of the respondents have their first degree. Meanwhile, 23.1 percent of the respondents graduated from the master degree level. Around 50 percent of the respondents are between 26 to 30 years old. Reliability analysis for all the latent variables is in between 0.700 – 0.906 as shown in Table 3. The internal reliability of a construct is said to be achieved when the Cronbach's Alpha value is 0.7 or higher (Nunnally and Beinstein, 1994, Pallant, 2013).

Table 3. Reliability Statistics

Latent Variable	Cronbach's Alpha	No. of Items	Type of Scale
Knowledge	.730	10	5-point Likert Scale
Experience	.702	7	5-point Likert Scale
Readiness	.700	9	5-point Likert Scale
Skills	.711	9	5-point Likert Scale
University Support	.822	9	5-point Likert Scale
KTP Performance	.906	8	5-point Likert Scale

Table 4 shows the overall mean and standard deviation of all the latent variables used in the study. The variable that scores the highest value of mean recorded by Skills variable with a mean score of 4.24 and a standard deviation value of 0.434 followed by Readiness (mean of score 4.18), University Support (mean of score 4.07), Experience (mean of score 3.95) and Knowledge (mean of score 3.92) respectively. The dependent (KTP Performance) mean score is 4.10 with a standard deviation of 0.271..

Table 4. The Mean and Standard Deviation of Variables

Latent Variables	Sample Size	Mean	Standard Deviation
Knowledge	78	3.92	0.651
Experience	78	3.95	0.583
Readiness	78	4.18	0.292
Skills	78	4.24	0.434
University Support	78	4.07	0.334
KTP Performance	78	4.10	0.271

The model summary is shown in Table 5. Value of R^2 is .863 shows that 86.3% variation in KTP Performance can be explained by the independent variables; Knowledge, Skills, Experience, Readiness and University Support. In this study, there is no multicollinearity issue. Multicollinearity test is examined via the tolerance (not less than 0.1) and Variance Inflation Factor (VIF) (not more than 10) (Coakes, Steed and Ong, 2009).

Table 5. Regression Results between KTP Performance and Human Capital Values

Independent Variables	Beta (α)	T value	Sig. Level	Collinearity Statistics	
				Tolerance	VIF
(Constant)	1.029	2.764	0.007		
Knowledge	-0.129	-1.138	0.259	1.764	6.009
Experience	0.027	0.174	0.862	4.112	2.454
Skills	1.148	3.678	0.000	2.431	4.245
Readiness	-0.366	-4.312	0.000	3.165	3.237
University Support	0.171	3.170	0.002	1.964	5.286

Note: R^2 (0.863), (F value=90.377), ($p=0.00$)

On the basis of Beta coefficients, the model shows that Skills cause positively significant relationship with KTP performance. This indicates that Skills have a significant relationship with the KTP performance as a proxy for community development. Table 5 also shows that there is a positively significant relationship between university support and KTP performance. A similar finding is also found in Asnarulkhadi Abu Samah and Fariborz Aref (2009) and Yao-FenWang and Chan Tsang (2014) who suggest that university support or the roles of higher institutions is really important to help the success of project or community development. Meanwhile, based on the result in table 5, there are no positively significant relationship in Knowledge, Experience and Readiness with KTP performance. This result might be affected due to some limitation as such as sample size, target respondents and other relative factors that affect the KTP performance.

Conclusion

The result indicates the importance of casting of human capital value and affirmative support from the higher institution of learning (HIL) such as university management as an authorized agency in ensuring the success of the KTP project. This study also provides several suggestions to the policymakers on how they can maximize agencies' collaboration with Universities. At the same time, the government should emphasise the importance of nurturing the right human capital that can stimulate the development growth of the industry and community in Malaysia through the Knowledge Transfer Programme in particular.

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