

Employability Skills Gap in the Manufacturing Industry

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Abstract

Technological improvements and a globally competitive market have raised employers' expectations of their employees. The disparity between the abilities that employers demand and the actual proficiency of employees is a significant issue in the job market, commonly referred to as the employability skills gap. This study examined the disparity in employability skills among manufacturing small and medium-sized enterprises (SMEs) from the employers' point of view. This survey sampled 108 employers from 59 Manufacturing SMEs, specifically targeting general managers, human resource managers, and line managers. A paired sample t-test analysis was conducted to examine the research hypothesis in this study. This study conducted an analysis of the employability skills gap, categorizing it into three distinct categories: generic skills, communication skills, and professional skills. This study identified a notable disparity in the perceived relevance levels and satisfaction levels of employable skills among the workforce in manufacturing SMEs, as reported by the employers. The HR department and HR professionals can utilize the results of this study as a reference for conducting a training needs analysis for employees to identify the actual skills gap in the organization's workforce.

Keywords: Employability Skills Gap, Generic Skills, Communication Skills, Professional Skills

Introduction

The employability skills gap refers to the misalignment between the skills graduates possess and those required by employers in the job market (Al-Shehab et al., 2021; Behle, 2020). This gap presents a significant global challenge, affecting graduates' ability to secure employment and meet industry needs. Its implications extend beyond individual career success to influence broader economic productivity. Numerous studies have examined this issue across various regions and sectors, underscoring the necessity for educational reforms and targeted skill development programs (Bhatnagar, 2020; Kenayathulla et al., 2019). Research highlights perspectives from countries such as Canada, Vietnam, India, European nations, the United States, the United Kingdom, and Australia, reflecting the universal relevance of this concern

(Zarifa, Seward & Milian, 2019; Tran, 2018; Kolding, 2018). The continued exploration of employability skills gaps is essential to guide the development of educational curricula, enhance graduate readiness, and align workforce capabilities with evolving market demands. Focusing on the manufacturing industry is essential due to its critical role in economic growth, job creation, and technological innovation. In many countries, including Malaysia, manufacturing has transitioned from being a supporting sector to a primary driver of the national economy. Since the shift from an agricultural economy in the 1970s, Malaysia's manufacturing sector has rapidly expanded and become a key contributor to GDP, employment, and exports (Zainal & Bhattasali, 2018).

Significance of Study

This study holds significant value for employees, employers, academic institutions, and government stakeholders by exploring employability skills gaps in manufacturing SMEs from employers' perspectives. For employees, it identifies key skills demanded by employers, guiding personal development to improve job performance and career prospects. Employers benefit by gaining insights into skill gaps and satisfaction levels, helping them make informed decisions about recruitment and training strategies. Human resource managers can leverage these findings to design effective development programs to enhance workforce capabilities. Academic institutions can use the research to refine curricula, ensuring graduates possess skills aligned with industry needs, while government bodies can support initiatives that foster workforce development and competitiveness. This study also serves as a valuable reference for future researchers seeking to explore employability skills and human resource development in various sectors.

Research Background

There is a direct correlation between the amount of employer satisfaction with employee performance and the extent of the employability skills gap among employees (Al-Shehab et al., 2021; Guàrdia et al., 2021). The level of employer satisfaction is often assessed based on the degree of productivity exhibited by employees in their respective roles. In order to enhance job performance, it is important for employees to possess a significant level of proficiency in their job skills. Failure to do so would result in the emergence of a gap in employable skills, so impeding the company's potential for growth (Jackson & Chapman, 2012). Therefore, it is expected that the employability abilities of employees and the skill set desired by recruitment managers should align (Mainga et al., 2022).

Generally, society holds the belief that those with exceptional academic qualifications will have a higher likelihood of securing employment (Pew Research Center, 2023; Lumina Foundation, 2023). Nevertheless, individuals face significant challenges in securing suitable positions as firms in today's labor market want job skills, personal traits, abilities, and capacities that go beyond academic qualifications (Succi & Canovi, 2020; Jackson & Bridgstock, 2021). Higher education institutions face significant obstacles in adapting their academic curriculum to match the changing demands of the labor market. This requires ongoing refinement and enhancement of employability skills, as highlighted by Succi and Canovi (2020) and Jackson and Bridgstock (2021). Moo and Wan (2023) found that employers in Malaysia often express dissatisfaction with the skills of graduates, attributing it to a lack of opportunity in higher education institutions to develop critical thinking skills that are relevant to the job.

Extensive studies and research have been conducted on the disparity in employability skills at both local and worldwide levels. Various viewpoints, thoughts, and opinions have been put forth by researchers such as Tan et al. (2022), Okolie et al. (2020), Subaashnii et al. (2019), Zarifa et al. (2019), Tran (2018), and Kolding (2018). Previous research has examined a diverse range of countries, such as Canada, Vietnam, India, several European countries, Florida, the United States of America, the United Kingdom, and Australia (Zarifa et al., 2019; Tran, 2018; Kolding, 2018). The investigation of the disparity in employable skills is a subject that is presently seeing a surge in global interest. Prior researchers have identified numerous shared beliefs and viewpoints, along with significant variations. Each scholar provided a distinct definition of employability competency. The employment skills discussed in previous studies can be summarized as follows: literacy, numeracy, technical, soft, teamwork, personal, communication, problem-solving, IT, management, ethical, organization, enterprising, interpersonal, decision-making, lifelong learning, leadership, marketing, finance, listening, critical thinking, analytical, and fluency in English (Yong & Ling, 2023; Belderbos, 2020; Subaashnii et al., 2019).

The restructuring of the national economy in the 1970s has resulted in a discrepancy between the skills required by employers and the education provided by the US system (Labi & Kenny, 2014; Focacci & Perez, 2022). Since then, technological progress has had a significant impact on the jobs, activities, and obligations of employees in all industries. Similarly, the industrial industries have prioritized mass production, diversity, and continuous innovation. The demand for employability skills, such as critical thinking, problem-solving, collaboration, teamwork, and effective and timely communication, is significant. Employers typically anticipate that employees would utilize their training and development knowledge and collaborate in teams to devise innovative solutions to challenges.

Lee (2023) and Migdad & Babangida (2022) state that Malaysia initiated its economic restructuring in the 1970s through three long-term economic policies: The New Economic Policy (NEP), 1970–90, the National Development Policy (NDP), 1990–2000, and the National Vision Policy (NVP), 2001–10. Malaysia is currently undergoing a period of economic transformation, shifting from an agriculture-based economy to one that is more focused on manufacturing and diversified across multiple sectors. Since that time, the majority of companies and business entities now demand a diverse set of work skills and interpersonal talents from their personnel. Employers observed a significant deficiency in employability abilities and initiated the process of human resource development by providing job training to seek out skilled employees (Sims, 2023; Moo & Da Wan, 2023). This shows the historical development of the employability skills gap and the rise of highly sought-after employability skills in Malaysia, as the country shifted its concentration from the agriculture sector to the manufacturing industry.

Purpose of Study

According to Malaysia's Department of Statistics (2024), the country's current unemployment rate is 3.3%, with 567 thousand jobless individuals. Despite this, Labor Force Participation Rate in Malaysia has averaged 67.56 percent from 2010 to 2023, and a record low of 62.30 percent in November 2023 (Malaysia Labor Force Participation Rate, 2024). According to FMT Reporters (2024), the number of graduates increased by 7.9% in 2022 to 1.68 million, compared to 1.55 million in the previous year. However, according to Mohd Ibrahim and

Mahyuddin (2017), Due to a lack of soft skills required by hiring organisations and employers, one out of every four graduates remains unemployed after completing their undergraduate programme. Even though the number is not large in percentage, the statistics reveal that Malaysia has a concerning unemployment rate. According to the Ministry of Education (2024), by the end of 2023, approximately 25% of graduates in Malaysia were still looking for work after six months of job searching and the graduate unemployment rate by the end of 2023 was reported to be around 14%.

According to Malaysia's Department of Statistics (2024), employment vacancies in the skilled category totalled 64 thousand, while those in the semi-skilled category totalled 83 thousand. On the other hand, low skilled recorded 68 thousand. The findings show that many job openings are waiting to be filled by the unemployed but that those with the necessary employability skills have a better chance. According to Zabeda (2009), the current labour market's limited availability of job vacancies is not the primary reason for unemployment. However, the study found that employers' most prominent concern about the current workforce is a lack of skills, which is the primary cause of unemployment. According to Thompson et al (2023) and Salina et al. (2011), most graduates could only find temporary or casual employment that was below their academic qualifications because of a lack of soft skills, such as communication skills, critical thinking abilities, and problem-solving skills.

Many studies emphasised the importance of the employability skills gap from various perspectives (Holidi et al., 2023; Subaashnii et al., 2019; Singh et al., 2013; Seetha, 2014). However, just a few studies on the employability skills gap among SMEs have been conducted (Manjunath et al., 2019). According to the SME Corporation of Malaysia (2024), SMEs in Malaysia operate as economic stabilisers and contribute to the country's GDP. Additionally, 98.5 % of businesses setting up in Malaysia are SMEs of all sizes and sectors. Malaysia has approximately 1.2 million SMEs across all sizes and sectors. SMEs play a crucial role in Malaysia's economy by contributing significantly to employment (Siddique & Moha Asri Abdullah, 2024). They account for a large portion of job creation, which can help mitigate unemployment rates. A thriving SME sector can absorb more workers, reduce joblessness, and foster economic stability. Conversely, challenges faced by SMEs, such as economic downturns or high operational costs, could negatively impact employment levels and potentially increase unemployment (Inegbedion et al., 2024). Thus, the health and growth of SMEs are closely linked to employment rates and overall economic health in Malaysia. According to the report, SMEs are crucial to Malaysia's economy and give many job possibilities. Therefore, SMEs was highly focused on this research.

The previous studies conducted by Holidi et al. (2023); Subaashnii et al. (2019); Rafikul Islam et al. (2013); Azami Zaharim et al. (2013); Arawati et al. (2011) identify that the employability skill gap was focused generally on all sectors without specifying any sector. Zarifa et al. (2019) conducted research in Canada that found that rural and small population areas have lower literacy and numeracy scores than medium-size, big, and metropolitan locations. However, most of the prior research on Malaysia's skills gap has been undertaken in metropolitan areas such as Kuala Lumpur, Selangor, Seremban, and the Klang Valley. Only a few studies were conducted in rural areas. (Subaashnii et al., 2019; Singh et al., 2013; Seetha, 2014).

Malaysia's manufacturing sector is one of the country's most important industries since it grew quickly when the country switched from an agriculture to a manufacturing-based economy in the early 1970s (Zainal & Bhattasali, 2008). According to Malaysia's Department of Statistics (2023), total manufacturing output increased 12.5% from 2015 to 2022. In the manufacturing sector, value-added increased by 11.2% from 2015 to 2022. Aside from that, the number of manufacturing employment climbed by 7.3% over the same period.

According to the Department of Statistics of Malaysia (2023), the services sector dominated employment in Malaysia, accounting for 59.3% of all jobs, followed by the manufacturing sector (22.4%) and the construction sector (6.1%). Agriculture accounts for 7.2% of the remaining jobs, while mining and quarrying account for 0.7%. Manufacturing accounted for 25% of job vacancies, while the service industry accounted for 60.0%. With 7% of job vacancies, agriculture came in third, followed by construction (5.0%) and mining and quarrying, which is 3.0%. These statistics show that there are many jobs available in the manufacturing industry. This means Malaysia's manufacturing industry is a significant source of productivity and the reason why been focused on this study.

According to Malaysia's Department of Statistics (2023) data, youth unemployment rate had increased to about 13.6% from 10.8% in 2019. This rise indicates ongoing challenges for young people entering the job market. Many of the unemployed in rural areas prefer to stay at home with their families and are unable to work due to a lack of fundamental job skills such as inadequate English proficiency and fear of interviewing. Unofficially, the number of unemployed youngsters in rural areas could be as high as 90,000, which is impossible to determine analytically. Many still live with their parents and are not recognised as actively looking for work. Many of them lack basic job skills, and many non-skilled occupations are taken over by immigrants, leaving young people in rural areas unemployed (Hunter, 2019).

The current study aims to determine whether there is a gap between the importance and satisfaction levels of employees' employability skills as perceived by employers in manufacturing SMEs in Segamat and to identify the main attributes of the employability skills gap to close the gap gaps in the future. The employer's perspective is best for identifying the employability skills gap because employees overestimate their skill levels and often fail to notice that their skill gaps can affect their job performance hence (McGuinness & Ortiz, 2016). On the other hand, the number of Malaysians residing abroad increased from 121,000 in 1990 to 311,000 in 2010, with 72% as job opportunities are their primary reason for them doing so. According to the World Bank (2015), middle-income countries, including Malaysia are easing their immigration policies to facilitate skilled employee migration to their countries. These situations clearly show that one of Malaysia's key challenges is a shortage of skilled labour. As a result, the findings of this study will assist the government in developing policies that benefit local employees and help them become more skilled workers without depending on migrants.

Literature Review

Employability Skills Gap in Generic Skills

Generic skills are defined as the general attributes that transferrable in nature and applicable to any career position at any stage of an employee's career (Aliu & Aigbavboa, 2023; Natalia et al., 2015). A quantitative study by Rahman et al. (2011) to identify the development of generic skills among technical employees in Malaysia resulted in leadership skills and

entrepreneurial skills scoring the lowest mean, which is 3.73 and 3.81, respectively. This is categorised as the employability skills gap of generic skills. This study revealed that most employers are concerned about generic skills as an employability skills gap that the employees should master in the present day. A qualitative study by Selvadurai et al. (2012) to identify employers' perception of the ideal generic skills among graduate employees showed a mismatch between employers' expectations and the employees' generic skills. This causes the employability skills gap, especially in information management skills and social interaction skills. Furthermore, Ebekozen et al. (2023) found that many higher education institutions are struggling to meet the growing demand for generic skills from employers. In another study by Salleh et al. (2016) indicated that the generic skills required by the industries consisted of social responsibility, leadership, and communication skills. On the other hand, the generic skills mastered by the graduated employees were social responsibility, appreciating the environment, ethical and moral skills, and professionalism skills. The findings indicated a significant difference between the generic skills possessed by the employees with the generic skills required by the employers. However, the employability skills gap research by Husaina et al. (2019) shown that there were significant differences between the importance of perceived and competence attained in generic skills consist of teamwork, basic, technical skills, and ethical skills.

Employability Skills Gap in Communication Skills

Communication skills are defined as the fluency levels of employees in language literacy in written, oral, and electronic device usage, including computers (Van Ravenswaaij et al., 2024; Alshare et al., 2011). The study by Manjunath et al. (2019) of the employability skills gap in designing industries revealed that there is a significant gap between communication skills perceived by employees and expected by employers. This finding is further supported by Van Ravenswaaij et al. (2024), who also identified that communication, language and collaboration were most sought-after skills among the employers. Nevertheless, a study by Van et al. (2013) shows a skills gap in the communication industries, particularly when it comes to digital marketing skills. The gap was analysed using a Paired Sample T-test comparison of employers' expectations and employees' competency in communication skills. Sangar (2022) found that the escalating demand for digital skills among employers during the post-pandemic digital transformation has significantly contributed to the widening skills gap. Similarly, a study by Carlisle et al. (2023) identified substantial gaps in digital skills such as virtual reality, artificial intelligence, augmented reality and online communication. Azami et al. (2009), in a mixed-method study conducted in Malaysia, discovered that employers demand high levels of communication skills from employees. However, employees do not meet employers' expectations due to their low proficiency in communication skills. This has highly contributed to the employability skills gap in many industries. In this study, the employability skills gap was analysed using the gap analysis equation. In another study conducted by Subaashnii et al. (2019), among 176 SMEs in Malaysia, employers highly prioritised communication skills, but low satisfaction levels led to an employability skills gap.

Employability Skills Gap in Professional Skills

Professional skills are defined as employability skills competencies on factual or procedural information essential for the successful performance of a specific task in an organisation (Subaashnii et al., 2019). Kamaruzaman et al. (2024) identified several critical skills such as complex problem solving, creativity, critical thinking, and social influence, as major

contributors to the widening skills gap. The empirical study of Moldovan (2019) demonstrated that there was a significant difference between the levels of importance and levels of expectation on professional skills in SMEs. Findings indicated a high need for professional skills such as time management, complex problem solving, cognitive analytics, and management skills among employers; unfortunately low supply of employees produces such skills. Another study by Abbasi et al. (2018) indicated a mismatch between employers' requirements and employees' competencies in professional skills such as leadership, decision-making, analytical, self-management, and critical thinking. Research conducted by Arawati et al. (2011) on skill gaps in Malaysia revealed that Malaysian employers perceived employees' competence among professional skills such as decision-making, problem-solving, critical thinking, and work planning as being less than expected. Similarly, another study on the mismatch between the skills of workers and employers in Malaysia by Anuar et al. (2016) showed that most firms agreed that professional skills such as management, finance, marketing, leadership, and entrepreneurship were considered more important by employers. However, the competence of employees was not satisfactory. Moreover, in a recent study by Yepes Zuluaga (2024), a significant gap was identified in the perceived importance of employability skills among students, graduates and employers.

Methodology

Respondents in this study were manufacturing SME employers who were registered with the Malaysian Royal Customs Department of Segamat, Johor, Malaysia. The population for this study was made up of 177 general managers, human resource managers, and line managers from 59 manufacturing SMEs. A simple random sampling method based on Krejcie and Morgan's (1970) sample size determination table was used in this study. The researcher visited the department mentioned above to obtain information about the respondents to choose them and then distributed the surveys using Google Forms and WhatsApp application. A research design strategy gathers information from respondents in a study (Welman & Kruger, 2004). As a result, a quantitative research design with closed-ended questions and replies was implemented in this paper. This study looked at the employability skills gap of manufacturing SMEs from employers' perspective, using cross-sectional questionnaires. Furthermore, questionnaires are the best tools for quantitative research since they allow the researcher to gather information from the intended respondents in a short amount of time (Sekaran, 2003). Questionnaires were delivered to the intended respondents to collect data. The subject or item being investigated is referred to as a unit of analysis in research (Mohajan, 2017). As a result, the unit of analysis will show what or who is being investigated in the study. For this study, the researcher used manufacturing SMEs as the unit of analysis. The researcher concentrated on manufacturing SMEs in Segamat for this study. For data analysis and statistical processes, this study used the SPSS version 25.0 data system. In this study, descriptive and inferential techniques were used to analyse the data. Frequency, percentage, mean, standard deviation, and weighted mean analysis are all part of the descriptive analysis. This study used a paired sample t-test as an inferential analysis to identify the employability skills gap.

Research Findings

Based on a paired sample t-test, Table 5.1 below shows a complete list of employability skills gaps. The results revealed that the employability skills gap was calculated using the difference

in mean between respondents' importance and satisfaction ratings. There are 25 employability skills that have a gap in employability skills, as shown in the table below.

The average importance rating for generic skills given by respondents was 4.42, but the satisfaction rating for generic skills was 3.06, which means that the gap difference for generic skills was 1.36. Following that, the average importance rating for communication skills given by respondents was 4.33. However, the satisfaction rating for communication skills was 2.97, which means there was a difference of 1.36, and that was the gap for communication skills. In addition, the average importance rating for professional skills given by the respondents was 4.19. However, the satisfaction rating for generic skills was 2.84, meaning there was a difference of 1.35, and that was the gap for professional skills.

Table 7.1
Employability Skills Gap

Variables	Importance	Satisfaction	Gap
Generic skills	4.42	3.06	1.36
Reliability	4.11	3.38	0.73
Self-motivated	4.76	3.17	1.59
Willingness to learn	4.39	2.82	1.57
Understands and takes directions for work assignments	4.74	3.11	1.63
Integrity	4.25	2.94	1.32
Teamwork	4.75	3.23	1.52
Entrepreneurship Skills	3.92	2.87	1.05
Self-discipline	4.77	3.31	1.46
Flexibility	4.02	2.94	1.08
Empathy	4.51	2.83	1.68
Communication skills	4.33	2.97	1.36
Reading	3.97	2.86	1.11
Technical Skills	4.53	2.93	1.60
Written communication	4.09	2.96	1.13
Verbal communication	4.82	3.15	1.68
Advanced computer	3.92	2.82	1.09
Basic computer	4.72	3.24	1.48
Communication in English	4.25	3.00	1.25
Ability to design and conduct experiments, as well as to analyse and interpret data	4.34	2.77	1.57
Professional skills	4.19	2.84	1.35
Ability to identify, formulate and solve technical problems	4.14	2.93	1.21
Creativity	4.50	2.92	1.58
Ability to use appropriate and modern tools, equipment and technologies specific to their jobs	4.01	2.88	1.13
Ability to design a system, component or process to meet desired needs	4.28	2.64	1.64
Knowledge of contemporary issues	3.90	2.82	1.07
Ability to apply knowledge of mathematics and science	4.42	2.77	1.65
Customer service skills	4.12	2.94	1.18

Discussions

The finding of this study about generic skills gap was consistent with the study results in the previous study of Holidi et al., (2023); Mokhtar et al. (2011); Selvadurai et al. (2012); Salleh et al. (2016); Husaina et al. (2019), that resulted in that there was an employability skills gap in generic skills. There were the same measurements used to examine the employability skills gap in the previous study of Blom and Saki (2011) and Subaashnii et al. (2019); however, this study resulted in that the generic skills gap was larger than their studies' generic skills gap. The generic skills gap is the difference between the average mean of importance levels and satisfaction levels of generic skills consist of ten types of sub-skills. All these skills were also tested individually through paired sample t-test. The result showed that skills of (1) understand and takes directions for work assignments, (2) self-motivated, (3) willingness to learn, (4) teamwork, and (5) self-discipline having the largest skills gap compared to other generic skills gaps in this study. However, this study showed that the employability skills gap occurs between the degree to which employers' generic skills have a perceived value and the degree of satisfaction for manufacturing SMEs.

Apart from that, the finding of this study about the communication skills gap was consistent with the study results in the previous study of Nadarajah, Janitha. (2021); Manjunath et al. (2019); Van et al. (2013); Azami et al. (2009) that resulted in that there was an employability skills gap in communication skills. The same measurements were used to examine the employability skills gap in the previous study of Blom and Saki (2011) and Subaashnii et al. (2019). However, this study showed that the communication skills gap was larger than their studies' as this study focuses on manufacturing SMEs only. The communication skills gap is the difference between the average mean of importance levels and satisfaction levels of communication skills consist of eight types of sub-skills of communication. All these skills also tested individually through paired sample t-test and the result indicated that skills of (1) verbal communication, (2) technical skills, (3) basic computer skills, and (4) ability to design and conduct experiments as well as to analyse and interpret data were having largest skills gap compared to other communication skills gap in this study. However, from the overall employability skills gap analysis result, this study concluded that the employability skills gap occurs between the levels of importance and levels of satisfaction of communication skills perceived by employers in manufacturing SMEs.

On the other hand, the finding of this study about the professional skills also gap consistent with the study results in the previous study of Moldovan (2019); Abbasi et al. (2018); Arawati et al. (2011); Anuar et al. (2016) that resulted in that there was an employability skills gap in professional skills. Report form Department of Statistics Malaysia (2022) studies indicate that employers continue to report a shortage of candidates with critical professional skills, such as advanced technical skills, problem-solving abilities, and soft skills like communication and teamwork. There were the same measurements used to examine the employability skills gap in the previous study of Blom and Saki (2011) and Subaashnii et al. (2019) however, this study resulted in that the professional skills gap was larger than their studies' professional skills gap. The professional skills gap is the difference between the average mean of importance levels and professional skills' satisfaction levels consisting of seven types of professional skills. All these skills were also tested individually through paired sample t-test and the result exposed that (1) ability to apply knowledge of mathematics and science, (2) ability to design a system, component, or process to meet desired needs, and (3) creativity was having largest skills gap

compared to other professional skills gap in this study. However, from the overall employability skills gap analysis result, this study concluded that the employability skills gap occurs between the levels of importance and levels of satisfaction of professional skills perceived by employers in manufacturing SMEs.

Conclusion

Despite technological innovation and globalisation, employment remains to be a fundamental human need today as the need for money continues to grow. In order to fulfil basic needs, humans require money to purchase essential things, and employment is the most common source of income for most people today. Employment also will influence the daily life and wellbeing of human beings. While many reasons for unemployment can be listed, the main reason for unemployment is the lack of vacancies available. Consequently, there are unfilled job vacancies in the current job market due to the employability skills gap (Rikala et. al., 2024; Bala & Singh, 2023).

This study aims to examine the employability skills gap in manufacturing SMEs as perceived by employers. The findings of this study have provided the understanding of exploring the role of employability skills gap dimensions consist of generic skills, communication skills, and professional skills. In addition, this study has successfully achieved all the research objectives. Based on the study results, there was a significant difference between the levels of importance and the levels of satisfaction of generic skills, communication skills, and professional skills among employees as perceived by employers to cause the employability skills gap.

The list of skills recorded high employability skills gap in manufacturing SMEs in this empirical research evidence will be useful for HRD and HR practitioners when conducted training needs analysis for an organisation. Therefore, all organisations, especially HRM and HRD departments, need to pay more attention to employability skills gap assessment regularly. Moreover, the HRM and HRD need to provide sufficient motivation, training, coaching to sustain performance levels or improve quality job performance. Moreover, this study can also be referred by academic institutions to identify the real employability skills gap problems among the current generation and guide them to modify the academic syllabus to produce sufficient skilled and capable human resources to the job market. Additionally, the Human Recourse Ministry of Malaysia can also consider this study when planning industrial skills training programs for employees in the future, which can be highlighted the larger employability skills gap of this study.

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