The value of university education

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By PROF GRAEME WILKINSON

WITH an increasing number of recent graduates struggling to find desirable employment of an appropriate professional level, some students and their parents question the value of a university education.

This is not restricted to Malaysia. Even in the most highly developed nations, graduate unemployment or underemployment (taking jobs below graduate level) is a problem and governments worldwide also lament the situation. But does that mean fewer people should go to university?

In fact, the answer is quite the contrary as national GDP is well correlated with the tertiary education enrolment rates across the globe. In essence, the more people educated at tertiary level, the richer the country. Broadly speaking, higher participation levels in university level education seem to be good for economies overall.

Preparing graduates

The real challenge for countries such as Malaysia is firstly to ensure that graduates are well-prepared for the workplace. But secondly there must be the right conditions to ensure that well-
trained graduates have opportunities open to them or can create their own opportunities. There are
important roles both for universities and governments and their agencies.

To start with, universities need to provide curricula that make graduates fit for the 21st century workplace. This doesn't mean that they have to be trained solely in practical subjects such as accounting, computer science, medicine or engineering. Degrees in the social sciences, arts and humanities have real value in terms of nurturing original thinkers and creating individuals who have excellent abilities in analysing problems and coming up with design solutions; or perhaps possess advanced linguistic skills that are required in professional jobs especially in an international context. Degrees in such fields often generate highly creative minds, able to look at problems, business issues, and product generation from completely new perspectives. At the same time, such degrees contribute to the cultural capital of a nation that is important in establishing an identity and in creating a culturally vibrant society with the arts embedded in everyday life.

Not all education has to be focused on the means of production for economic gain; some can be oriented toward societal gain. So what is needed to ensure that we can get maximum benefit as a nation from our graduates and that they themselves can lead fulfilling economically secure lives and reap due rewards from the investment of time and money in their university education?

Firstly, boosting graduate employment means having both work ready graduates and companies ready to employ them. Universities have a role to play in the former but the latter depends on companies having appropriate vacancies, either through retirements releasing posts, or through business expansion, which is a key factor.

Expanding market share will only boost domestic graduate employment rates if the expansion is at the expense of foreign competitors. Likewise, developing new products can lead to real job creation but only if development, production and selling such products generates a need for additional manpower. New products that can be produced by robots or sold via e-commerce generate few real jobs. It is only when the new products create a need for manpower all the way from product design to end customer servicing can they contribute to boosting graduate employment. This ultimately depends on the creation of products that are revolutionary and create the opportunities for existing companies or new ones to engage in rapid business expansion. Technological developments provide the opportunity for new products or business models to be created that are “disruptive”, to coin a commonly used expression these days.

The key requirement for healthy growth in a nation's economy and improvement of graduate employment rates is for there to be sufficient innovation and disruption to stimulate the economy and give rise to strong growth. This is also an important factor in a country becoming a high income nation and ensuring higher levels of prosperity for all.
Innovation is vital

It is critical that we have high levels of innovation and products that are truly world class that can be competitive and sold internationally. For Malaysia, there are big opportunities in the fast emerging markets of Asean and in the giant markets of India and China if we have the right products. Geographically we are very well positioned.

There is a need for universities to work with entrepreneurs to take bright ideas to market and for companies to work with academia to develop products. It has to be said that all over the world, industrial companies are generally not good at investing in research and development or in collaborating with academic researchers, but this kind of cooperation has been central to some of the rapid growth of high technology industries in countries such as the US. If we can get it right, then there is much scope to stimulate business growth through new technological developments taken to market.

Universities have a key role to play both in training the next generation of knowledge workers and undertaking advanced research and development on new products, and most importantly nurturing some graduates to become entrepreneurs.

For economic growth we need the combination of talent, creativity, new knowledge and products, and entrepreneurs who can take new products forward. Not every graduate should become an entrepreneur. But increasing numbers should do so if we want to stimulate growth and graduate employment more broadly.

The Sunway experience

At Sunway University, we aim to play a role in all aspects through undertaking research in advanced fields such as nano-technology, creating graduates from employment focused degrees with the right knowledge and skills to find a role in industry, and nurturing entrepreneurs. The latter we do both through our degree in entrepreneurship and through our innovation facility (the Sunway iLabs) which gives support to our students on how to start a business. These support mechanisms add to the value of our degrees and are designed to make some of our graduates more entrepreneurial and able to take forward their own ideas for their future careers rather than relying on someone else to give them a job.

So universities are about far more than just imparting knowledge to young people. They have a critical role in economic expansion and in helping young people to create jobs as well as get hired. Whatever the field of study, academia needs to help its graduates contribute economically as well as socially, and while technological degrees or more broadly “STEM” (science, technology, engineering and maths) degrees are the most prized, there are significant roles for graduates in all fields in an expanding economy. That’s why university education has value to a nation as a whole.

The writer is Sunway University vice-chancellor. Sunway University is a contributor to the Star Education Fund.