

**MATHEMATICS GRADUATES PERCEPTIONS ON SUITABILITY OF
EMPLOYMENT USING LOGISTIC REGRESSION**

HEIRNIZAH MELATI BINTI JAMRI

UNIVERSITI TEKNOLOGI MALAYSIA

MATHEMATICS GRADUATES PERCEPTIONS ON SUITABILITY OF
EMPLOYMENT USING LOGISTIC REGRESSION

HEIRNIZAH MELATI BINTI JAMRI

A dissertation submitted in partial fulfillment of the
requirements for the award of the degree of
Master of Science (Mathematics)

Faculty of Science
Universiti Teknologi Malaysia

JUNE 2014

To my beloved family and friends

ACKNOWLEDGEMENT

Alhamdulillah, all praises to Allah for the strengths and His blessing in completing this study. My supervisor, Dr. Zarina binti Mohd Khalid, who is tough very busy, took the pain of going through my report diligently and offering valuable comments and guidance. Without her continued support and motivation, this study would not have been the same as presented here. I owe my deepest gratitude for all her support from the initial until the final level that enabled me to develop an understanding of this study.

My sincere appreciation to all my friends who willingly gave me a hand and have supported me in many ways when I encountered problems in order to finish this study. Thanks for the friendship and memories. I am also thankful for the underlying love, prayers and encouragement from my beloved family.

Last but not least, I would like to express my gratitude and special thanks to all people who came forward to help me and also cooperated with me especially SSM and SSE students which graduated in October 2012. To those who indirectly contributed in this research, your kindness means a lot to me.

Thank you again for all your wonderful help and valuable information which undoubtedly enhance my knowledge and experiences in statistics.

ABSTRACT

The choice of a career is one of the important aspects for a graduate as it will determine their lifestyle and also plays an important role in the society and country. However, this selection becomes complicated due to the increasing number of graduates especially in mathematics field. Hence, this project aims to model the suitability of employment amongst mathematics graduates. Analysis was done by using IBM SPSS Statistics Version 20 and Microsoft Office Excel 2007. Since the response variable for this study is of a binary nature which is appropriate or inappropriate of perceptions on suitability of employment, the logistic regression model was applied. The first analysis is based on Logistic regression which involved both SSM and SSE graduates. A total of 40 respondents were included. The second analysis is based on Logistic regression which involved only SSM graduates. A total of 33 respondents were included. In this project, it is concluded that co-curriculum and influence of institute was the significant factors that influenced the perceptions on suitability of employment among mathematics graduates for the logistic regression that involved both SSM and SSE programme while for the logistic regression that only involved SSM programme, it concluded that ethnic, CGPA, cocurriculum and influence of institute was the significant factor that influenced the perceptions on suitability of employment among mathematics graduates.

ABSTRAK

Pemilihan kerjaya merupakan salah satu aspek yang penting untuk kehidupan seseorang kerana ia akan menentukan gaya hidup mereka dan juga memainkan peranan penting dalam masyarakat dan negara. Walau bagaimanapun, pemilihan ini menjadi rumit disebabkan oleh peningkatan daripada graduan terutamanya dalam bidang matematik. Oleh itu, projek ini bertujuan untuk mendapatkan model bagi kesesuaian pekerjaan di kalangan graduan matematik. Analisis dilakukan dengan menggunakan IBM SPSS Statistics Version 20 dan Microsoft Office Excel 2007. Oleh sebab pemboleh ubah bagi kajian ini adalah yang bersifat binari iaitu sesuai atau tidak sesuai kesesuaian pekerjaan, Logistik regresi telah digunakan untuk mendapatkan model. Analisis pertama adalah berdasarkan Logistik regresi yang melibatkan graduan daripada SSM dan SSE. Seramai 40 orang responden terlibat dalam analisis ini. Analisis kedua adalah berdasarkan pada Logistik regresi yang hanya melibatkan graduan SSM. Seramai 33 orang responden terlibat dalam analisis ini. Dalam projek ini, dapat disimpulkan bahawa kokurikulum dan pengaruh daripada institut merupakan faktor penting yang mempengaruhi kesesuaian pekerjaan di kalangan graduan matematik untuk Logistik regresi yang melibatkan SSM dan program SSE manakala bagi Logistik regresi yang sahaja melibatkan program SSM, dapat disimpulkan bahawa etnik, PNGK, cocurriculum dan pengaruh daripada institut merupakan faktor penting yang mempengaruhi kesesuaian pekerjaan di kalangan graduan matematik.

TABLE OF CONTENTS

CHAPTER	TITLE	PAGE
	DECLARATION	ii
	DEDICATION	iii
	ACKNOWLEDGEMENTS	iv
	ABSTRACT	v
	ABSTRAK	vi
	TABLE OF CONTENTS	vii
	LIST OF TABLES	x
	LIST OF FIGURES	xii
	LIST OF SYMBOLS	xiv
	LIST OF APPENDICES	xv
1.	INTRODUCTION	1
	1.1. Introduction	1
	1.2. Background of the Study	3
	1.3. Statement of the Problem	4
	1.4. Objectives of the Study	6
	1.5. Scope of the Study	6
	1.6. Significance of the Study	7

2.	LITERATURE REVIEW	8
2.1.	Literature Review on Suitability of Employment	8
2.2.	Literature Review on Logistic Modelling	10
3.	METHODOLOGY	15
3.1.	Method of Data Collection	15
3.2.	Method of Analysis	17
3.2.1.	Descriptive Analysis of Response Variables and Predictors Variables	18
3.2.2.	Chi square Test of Association	18
3.2.3.	Logistic Regression	20
3.2.3.1.	Multicollinearity	23
3.2.3.2.	Univariable Analysis	23
3.2.3.3.	Variable Selection	24
3.2.3.4.	Goodness of Fit of the Model	25
3.2.3.5.	Establish Final Model	26
3.3.	Modelling Technique	26
4.	RESULTS AND DISCUSSION	27
4.1.	Introduction	27
4.2.	Analysis of Logistic Regression based on SSM and SSE Graduates	27
4.2.1.	Descriptive Analysis of Response Variables and Predictors Variables	28
4.2.2.	Chi square Test of Association	31
4.2.3.	Logistic Regression	33
4.2.3.1.	Multicollinearity	33
4.2.3.2.	Univariable analysis	34
4.2.3.3.	Variable Selection	35
4.2.3.4.	Goodness of Fit of the Model	37

4.2.3.5.	Establish Final Model	40
4.3.	Analysis of Logistic Regression based on SSM Graduates	41
4.3.1.	Descriptive Analysis of Response Variables and Predictors Variables	41
4.3.2.	Chi square Test of Association	45
4.3.3.	Logistic Regression	46
4.3.3.1.	Multicollinearity	46
4.3.3.2.	Univariable analysis	47
4.3.3.3.	Variable Selection	48
4.3.3.4.	Goodness of Fit of the Model	51
4.3.3.5.	Establish Final Model	53
5.	CONCLUSSIONS AND RECOMMENDATIONS	55
5.1.	Conclussions	55
5.2.	Recommendations	58
	REFERENCES	59
	Appendices A - D	63-86

LIST OF TABLES

TABLE	TITLE	PAGE
3.1	Description of variables	14
4.1	Descriptive analysis of nominal variables	27
4.2	Descriptive analysis of interval variables	29
4.3	Test of association	31
4.4	Correlation Analysis between independent variables	32
4.5	Test of Multicollinaerity	33
4.6	Univariable Analysis	34
4.7	Multivariate Analysis	35
4.8	Area Under the Curve (enter)	38
4.9	Area Under the Curve (forward)	38
4.10	Area Under the Curve (backward)	39
4.11	Final Model by using Enter Logistic Regression	41
4.12	Descriptive analysis of nominal variables	41
4.13	Descriptive analysis of interval variables	43
4.14	Test of association	45
4.15	Correlation Analysis between independent variables	46

4.16	Test of Multicollinaerity	47
4.17	Univariable Analysis	48
4.18	Multivariate Analysis	49
4.19	Area Under the Curve (enter)	52
4.20	Area Under the Curve (forward)	52
4.21	Area Under the Curve (backward)	53
4.22	Final Model by using Backward Logistic Regression	54

LIST OF FIGURES

FIGURE	TITLE	PAGE
4.1	Pie chart of suitability of employment	27
4.2	Bar charts of number of respondents based on gender	28
4.3	Bar charts of number of respondents based on ethnicity	28
4.4	Bar charts of number of respondents based on course taken	28
4.5	Bar charts of number of respondents based on CGPA	28
4.6	Histogram of interval variables	30
4.7	ROC curve for enter	37
4.8	ROC curve for forward	38
4.9	ROC curve for backward	39
4.10	Pie chart of suitability of employment	41
4.11	Bar charts of number of respondents based on gender	42
4.12	Bar charts of number of respondents based on ethnicity	42
4.13	Bar charts of number of respondents based on CGPA	42
4.14	Histogram of interval variables	44
4.15	ROC curve for enter	51
4.16	ROC curve for forward	52

4.17	ROC curve for backward	52
------	------------------------	----

LIST OF SYMBOLS

SYMBOL	DETAILS
α	- Level of significance
p	- Probability value
β	- Coefficient or unknown parameter
B	- Estimated parameter
Y	- Dependent variable
X	- Independent variable
$\exp(.)$	- Exponential function
SE	- Standard error
OR	- Odds ratio
CI	- Confidence Interval
VIF	- Variance inflation factor
ROC	- Receiver operating characteristic

LIST OF APPENDICES

APPENDIX	TITLE	PAGE
A	Questionnaires sample	68
B	Data respondents for both SSM and SSE graduates	74
C	SPSS Output based on both SSM and SSE Graduates	75
D	SPSS Output based on both SSM Graduates	83

CHAPTER 1

INTRODUCTION

1.1 Introduction

Currently, the employability among graduates becomes a major issue and it often associated with unemployment among graduates. Furthermore, the job offered mostly not satisfies with their qualifications. Besides, job market is more dynamic due to rapid development as well as the diverse needs of employers. Consequently, competition among graduates will occur and there is increasing on the unemployment rate.

Hence, the role of the university as a centre of learning allows students to gain deeper knowledge in accordance with country's growth. Universities definitely will develop their students in both mental and spiritual aspects. Moreover, the specific education should be implemented in order to expand the multiskills and personal attributes towards their students. This is intended to meet the demands of professional work and enhance the development of the country. Due to this aim, many programmes are available and have been offered in many universities. Indirectly, it will give a big opportunity for students to get a job in the future.

However, the issue comes up on how the quality of graduates is capable to fulfil the market needs. Many problems can be overcome if the education received is in accordance with the demands of employment.

Nevertheless, graduates cannot depend only on their academic achievement in getting jobs. Many factors that are required by the employer such as the attitudes toward work, outlook on life, mastery of basic skills such as language and ICT, the ability to think critically and others. It is found that in every year, thousands of graduates entering the job market. Therefore, the research regarding mathematics graduates perceptions on suitability of employment will be carried out.

Logistic Regression is a mathematical modelling that describes the relationship of one or several independent variables to a dichotomous dependent variable. Simple Logistic Regression is a univariable analysis that has only one independent variable in the model while multiple Logistic Regression is also known as multivariable or multivariate analysis that has more than one independent variable towards dichotomous dependent variables. In other words, Logistic Regression usually deals with the dependent variables that have two possible outcomes that are whether or not an event occurred such as dead or alive, bad or good, buy or not buy and many more. Moreover, most of interesting variables that need to be studied are dichotomous. The purpose of Logistic Regression is to predict dichotomous dependent variables on the basis of continuous and/or categorical independents. It estimates the probability of success over the probability of failure to obtain its odds. Besides, logistic regression provides knowledge of the relationships between each variable. Logistic function was invented in the 19th century to describe the growth of populations and the course of autocatalytic chemical reactions. (Cramer, 2002). It became routinely available in statistical programmes in the early 80s and this model has been widely used.

Data of students from the Department of Mathematical Sciences, Faculty of Science who graduated in October 2012 (cohort 09/10) were collected from questionnaires distributed through emails. The response variable in this study is the suitability of employment based on their perceptions, whether it is either appropriate

or inappropriate with regard to their qualifications. The predictor variables are gender, course, grade (CGPA), area (rural/urban), opinions about internship, mode of job, specialization of job and type of company, internship performance, level of communication skills, level of computational skills, level of co-curriculum skills, level of confidence and level of motivation.

This study is divided into several chapters. The first chapter describes introduction, background of the study, statement of problems, objective of the study, scope of the study and significance of the study. The second chapter provides literature review of works for research related to study of employment and logistic model. Then, the third chapter will cover research methodology used in this study. Next, the fourth chapter explains the results and discussion. Finally, the last chapter provides conclusions and some recommendations.

1.2 Background of the Study

There are 20 public universities and about 60 private universities in Malaysia. It is found that most of graduates are employed within six months as well as obtain employment after graduation. However, there are still many students who fail to get the job in two years graduation (Harian Metro, 26 Nov 2012).

According to Statistics of Graduates in the Labour Force Malaysia 2011, a total of 65500 graduates were unemployed in 2010 and from this figure, about 33800 were degree holders and based on field of study, it was also found about 41.9% were in social science, business and law, and 20.6% were followed by engineering, manufacturing and construction while 18.6% from science, mathematics and computing. It showed that there is stiff competition among graduates in obtaining the job due to the large number of graduates. Therefore, graduates should be prepared

enough with extra knowledge and skills other than what they learnt in their institutions.

According to the industry sector, many graduates are unemployed due to the incompatibility between the courses taken and the market demand (KOSMO, 7 Nov 2012). Besides, employers often stated that graduates have lack of soft skills such as positive work ethic, communication skills, teamwork and the ability to make decisions and leadership skill. Another contributing factor that graduates are unemployed is because of their weaknesses in English language, lack of industrial training, lack of self-confidence and fail to convince the employers. This is a huge gap between the levels of competency graduates with international standards. Therefore this issue should be addressed to ensure that they have a qualified, versatile and high employability. In the era of globalization, employers are concern with both hard skills and soft skills in order to ensure their employees can adapt to all kinds of work especially when under pressure. According to Sharil (1993), most the industries look at the skills of employability first rather than the academic results.

Therefore, the purpose of this study is to determine the suitability of employment based on mathematics graduates perceptions and then will concentrate on determining the most significant variables that affect their perceptions on suitability of employment. This study will develop the best fit model by using logistic model.

1.3 Statement of the Problem

Employment opportunities are proportional to the development process. Nowadays, there are a lot of vacancies offered covering all levels of education. However, the unemployment rate amongst degree holders in particular who major in

mathematics is quite high. This is due to the limited vacancies as regards to mathematics graduates. It means that it is quite difficult for mathematics graduates to find the job because of the unspecified position as compared to other graduates. For instance, engineering graduates will work as an engineer and bachelors at law will work as a lawyer.

A more in-depth look reveals that Mathematics and Statistics graduates are employed in many different areas. Industry, commerce, government departments and teaching represent some of the more obvious ones. Some jobs require specific mathematical or statistical skills while others, it requires the ability to think precisely and logically although not directly involving these skills. Generally, business, industry and government want people who have a background and interest in a variety of mathematical areas, computation and science. Many of these jobs require competence in using software packages such as SPSS, R and SAS. Familiarity with spreadsheets, such as Excel, and data bases are also useful. Most jobs also require strong oral and written communication skills, well developed interpersonal skills, and the ability to work independently as well as in a team.

Therefore, this study will be conducted to determine the significant factors that influence mathematics graduates perception on suitability of employment. There are many factors which can contribute to mathematics graduates perception on suitability of employment. Two main types of factors that will be focused in this study are demographic profiles and skill factors. Such demographic profiles are gender, course, grade (CGPA) and influence of institute. On the other hand, skill factors include level of communication skills, level of computational skills, level of co-curriculum skills, level of confidence and level of motivation.

1.4 Objectives of the Study

Below are the objectives of the study:

1. To determine mathematics graduates perceptions on suitability of employment based on designed questionnaires.
2. To model mathematics graduates perceptions on suitability of employment using logistic regression model.
3. To identify the significant factors affecting mathematics graduates perceptions on suitability of employment.

1.5 Scope of the Study

The scope of this study involved all students at the Department of Mathematical Sciences, Faculty of Science who graduated in October 2012 (cohort 09/10). They are divided into two groups according to programmes which are Pure Mathematic (SSE) and Industrial Mathematic (SSM). In addition, this study only focuses on the test of association, univariable analysis, logistic regression, goodness of fit and classification table.

1.6 Significance of the Study

This study focuses on modelling mathematics graduates perceptions on suitability of employment. In this way, we can identify significant variables that affect students' employability in the job market based on their qualifications. Indirectly, students can prepare well for the jobs. Moreover, the university, prospective employers and students themselves could collaborate with each other to improve and make changes to meet the demands of the marketplace and achieve the needed goal. Besides, this study is important to ensure that the programs offered by the university will gain recognition from all parties and they can reassess the pros and cons of the programmes offered.

REFERENCES

- Archer, K. J., Lemeshow, S., & Hosmer, D. W. (2007). Goodness-of-fit tests for logistic regression models when data are collected using a complex sampling design. *Computational Statistics & Data Analysis*, 51(9), 4450–4464.
- Archer, W. & Davison, J. (2008). Graduate Employability : The view of employers. *Council for Industry and Higher Education (CIHE)*.
- Africa, S. (2012). The job satisfaction of principals of previously disadvantaged schools: new light on an old issue, 32(2004), 227–239.
- Ali S. Al-Ghandi. (2002). Using Logistic regression to estimate the influence of accident factors on accident severity. *Accident Analysis and Prevention* 34, 729-741.
- Beletskiy, A. (2011). *Factors Affecting Employees ' Perceptions of the Performance Appraisal Process*. MSc Thesis, Hanken School of Economics.
- Bursac Z, Gauss CH, William DK, Hosmer DW. (2008) Purposeful Selection of Variables in Logistic Regression. *Source Code for Biology and Medicine*,3(17). BioMed Central.
- Cramer, J.S. (2002). The Origins of Logistic Regression. *Tinbergen Institute Discussion Paper, T12002 - 119/4*.
- Christelle Garrouste, Kornelia Kozovska and Elena Arjona Perez (2010). Education and Long-Term Unemployment . *Geographical Localisation, Intersectoral Reallocation of Labour and Unemployment Differentials” (GLUNLAB3), RCEF*.
- Department of Statistic Malaysia (2011). *Statistics of Graduates in the Labour Force Malaysia 2011*.
- Field, A. (2002). *Discovering Statistics Using SPSS for Windows*. SAGE publication.

- Goutam Saha (2011). Applying Logistic regression Model To the Examination Results Data. *Journal of Reliability and Statistical Studies*. 4(2), 105-117.
- Gabrenya W.K. J. (2003). Descriptive Statistics. *Research Skills for Psychology Majors : Everything You Need to Know to Get Started*.
- Hosmer, D.W. & Lameshow, S.(2000). Applied Logistic Regression, 2nd edition. A *Wiley-Interscience Publication*.
- Hussein, A. H. A. & Abdel, R. A. (2002). Factors Affecting Student Performance in the Introductory Finance Course. *Journal of Economic & Administrative Sciences*, 18(2).
- IPPTN. (2003). Laporan akhir kajian masalah pengangguran dikalangan siswazah. Institut Penyelidikan Pendidikan Tinggi Negara, USM Penang.
- Kleinbaum, D. G. (1994). Logistic Regression : A Self Learning Text. *New York: Springer-Verlag*.
- Kerja Apa Selepas Universiti. (2012, 26 Nov). *Harian Metro*, page 14.
- Maxwell, K.L.H. (2009). *Logistic Regression Analysis to Determine the Significant Factors Associated with Substance Abuse in School-Aged Children*. MSc Thesis, Georgia State University.
- Madar, Ahmad Rizal dan Abd Aziz, Malyia Afzan dan Abd Razzaq, Abdul Rasid dan Mustafa, Mohamad Zaid dan Buntat, Yahya. (2008). Kemahiran employability bagi memenuhi keperluan industri. *Seminar Kebangsaan Kemahiran Insaniah dan Kesejahteraan Sosial (SKIKS)*. 18-19 Ogos. Hotel Mahkota Melaka, 385–392.
- Maforah, T. P. (2010). The job satisfaction of principals of previously disadvantaged secondary. *South African Journal of Education*, 32(3).
- Maarten, H. J. W. (2000). The Effects of Level of Education on Mobility between Employment and Unemployment in the Netherlands, *16(2)*, 185–200.

- Marlina Ali & Shaharom Noordin (2006). Tahap Penguasaan Kemahiran Berfikir Kritis Di Kalangan Pelajar Pendidikan Fizik Merentas Jantina. *Buletin Persatuan Pendidikan Sains & Matematik Johor*. Volume 15 (1).
- Mohd Noor Azam Nafi (2011). Modelling Employability of Graduates using Logistic Regression. *Journal of Statistical Modelling and Analytics*. 2(1), 45-51.
- MTEN. (2001). Study on unemployment situation in Malaysia. Majlis Tindakan Ekonomi Negara. Putrajaya: Jabatan Perdana Menteri.
- Pembangunan, B., & Perindustrian, L. (2006). Laporan kajiselidik “ employability ” lepapan graduan iljtm majlis konvokesyen iljtm tahun 2006.
- Peng, C.-Y. J., Lee, K. L., & Ingersoll, G. M. (2002). An Introduction to Logistic Regression Analysis and Reporting. *The Journal of Educational Research*, 96(1), 3–14.
- Punca Graduan Sukar Dapat Kerja. (2012, 7 Nov). *KOSMO*, page 25.
- Robinson, J. P. (2000). The work place : What are employability Skills?. *Alabama Cooperative Extension System*.
- Sloan Rush. (2001). Logistic Regression: The Standard Method of Analysis in Medical Research.
- Shahril Mohamed Sadikin (1993). *Bahagian Pelajaran Teknik dan Vokasional 1974*, Kuala Lumpur.
- Vanderheyden,E. (n.d.). *The impact of attractiveness in the assessment of employment suitability: A discrete choice experiment*.MSc Thesis, Hogeschool-Universiteit Brussel.
- Warraich N.F, Kanwal Ameen, (2011) "Employability skills of LIS graduates in Pakistan: needs and expectations", *Library Management*, Vol. 32(3), pp.209 – 224.

- Wangombe, A., & Khadioli, N. (2010). A Logistic Regression Model to Identify Key Determinants of Poverty Using Demographic and Health Survey Data, *13*(1), 38–46.
- Yazici, B., Kan, B., Şişman, Y., & Kocabaş, F. (2010). Logistic Regression Analysis of Disabled Employee Data, (2004), 2622–2630.
- Yusuff, H., Mohamad, N., Ngah, U. K., Yahaya, A. S., & Campus, E. (2012). Breast cancer analysis using logistic regression 1,2, *10*(January), 14–22.
- Zulkifli Osman & Rahmah Ismail. (1997). Isu dalam pasaran buruh dalam pembangunan sumber manusia di Malaysia.