



## Diversifying Employment Opportunities of Urban Planning Graduates in the Period of Uncertainty

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### ABSTRACT

Several countries, including Malaysia, have set a long term target of establishing a more educated workforce. This thrust on the *massification* of higher education has resulted in a new problem-graduate unemployment. The growing problem of graduate unemployment in Malaysia is widely debated in the media and blogs. The Higher Education Ministry, in its Graduate Tracer Study Report 2011, reported that 24 per cent of them have not found a job after six months of graduating. The employment scenario of the urban planning graduates has changed over the years from catering the needs of the public sector, to catering the needs of the private sector and to fulfilling the need of the One Stop Centre or the OSC. The advent of the liberalization of urban planning services challenges urban planning schools in Malaysia to produce planners not only to cater for local needs but also with the capability of exporting their skills and services internationally. Given the diverse scope of urban planning it is a paradox that graduates of urban planning should converge on the conventional urban planning organizations for employment. The paper will highlight some preliminary findings on the employment prospect of urban planning graduates in the immediate future and the possibility of diversifying employment opportunities of urban planning graduates.

## 1. Introduction

It is every student's dream to go to university, get a degree and get a job and a career upon graduation. Education is considered to be a key to employment. In the developing and under-developed countries education is seen as a mean out of poverty. While for the developed countries, education serves as a buffer against unemployment. Historically, graduates have enjoyed higher employment rates than individuals with lower levels of education (OECD, 2000). However, this is a thing of the past. Unemployment among graduates are increasingly becoming a genuine concern throughout the world (Livanos, 2010; Naess, 2004; Shadare and Tunde, 2012; Kraak, 2010; Wu, 2010; Fang and Kam, 2009).

Various reasons have been said to be responsible for this phenomenon. The economic situation is a significant contributor to this phenomenon. An economic downturn will result in a shrinking employment market for the graduates, when the number of jobs was not created in tandem with rapidly increasing numbers of graduates. The weak labor market resulted in major companies to scale back their graduate recruitment (Yen, 2012). Education expansion is another major contributing factor. Education expansion or the *massification* of higher education means greater access to higher level education opportunities. Korotkov (2006); Núñez and Livanos (2010); and Tunnicliffe (2010) noted that the rapid expansion of higher education has increased the number of graduates, and together with a weak labor market, further exacerbated the graduate unemployment situation.

The public sector has always been a source for employment in many countries. However, their proportion differs between countries. At one extreme is Qatar with 88% of its labor force working in the public sector (McGinley, 2010); and at the other extreme are Chile and Japan, with less than 10% of its population working in the public sector. Begley (2011) suggested that initially the focus is to educate people to have jobs in the government, but jobs in governments have saturated. Another reason given is the existence of education and industry mismatch where graduates knowledge and skills did not suit the demands of the rapidly growing economy. This was further exacerbated by graduates lacking soft skills such as social skills, interpersonal relationships, motivation, critical thinking, communication, creativity, and language skills that are extremely important to employers. Yalnizyan (2012) suggested that companies are choosing experience over new recruitment, partly because employers get more immediate value out of staff with experience.

In Malaysia the number of graduates that entered the labor market has increased almost tenfold from only 231,800 persons in 1982 to 2.10 million in 2010 (DOS, 2011). For the same period, graduate employment had increased from 228,100 to 2.03 million. Malaysia recorded a higher rate of unemployment among tertiary-level category compared to the lower levels of education. Although the rate of unemployment amongst the lowest educational level has more than doubled between the years 2000 to 2010 it is still lower than the tertiary level.

The growing problem of graduate unemployment in Malaysia is widely debated in the media and blogs. This necessitated the Ministry of Higher Education to conduct the Graduate Tracer Study each year attempting to trace the destinations of the graduates' employment and identify the degree of graduate unemployment. This study involved both government and private institution. The Graduate Tracer Study Report (MOE, 2011) reported that 24 percent of the graduates have not found a job after six months of graduating. The other fields of studies, where urban and regional planning graduates are incorporated, recorded higher percentages of unemployed graduates. However numbers of urban planning graduates that are unemployed are not mentioned in the report. In this case, the education field, which has a relatively lower proportion of unemployed graduates, is excluded.

## 2. The Challenges for Urban Planning Graduates in Malaysia

Planning education in Malaysia, at the first degree level, started with the establishment of the Bachelors of Urban and Regional Planning program in 1972 by the Department of Urban and Regional Planning of Institut Teknologi Kebangsaan, and later known as Universiti Teknologi Malaysia. Prior to this, it was only offered at the Diploma level leading to the position as a technical assistant at government departments. To become a full-fledge planner one had to go overseas for training, particularly to the United Kingdom. Currently, there are more than five universities in Malaysia that offer urban planning or similarly related programs. Most of these schools offer professional programs which are accredited by a professional body, the Board of Town Planners Malaysia, which governs planning practice in the country.

In the early 1980s planning schools in Malaysia produced planners mainly to cater for the needs of the public sector, particularly the Federal and State Departments of Town and Country Planning and a few large municipalities. By the end of the 1980s, the expansion of industrialization and the rapid urban growth the need for urban planners in the private sector began to grow. Planning schools began to cater the need for both the public and private sectors. The year 2007, saw a bigger role of many local authorities with the establishment of One Stop Centre or the OSC (Mohd, 2011), the move resulted in the increased need for urban planners in the public sector. As of 2010 though, the advent of the liberalization of urban planning services challenges urban planning schools in Malaysia to produce planners not only to cater for local needs but also with the capability of exporting their skills and services internationally.

The Report on Internationalization of Urban Planning Education (FDTCP, 2012) noted that the urban planning programs in Malaysia produce almost 270 planning graduates per year. The question is where these graduates go to get employed. With almost indistinguishable knowledge and skills amongst them, the graduates inevitably converge to the same employment market. The local employment market, however, is relatively limited. Thus the planning graduates are facing competitions from among themselves for employment. Contributing to this situation is the unknown numbers of urban planning graduates from overseas, probably with different knowledge and skills, which will add diversity to the competition. The encroachment from other professionals claiming their competency to undertake urban planning works further aggravate the planning practice situation in Malaysia leading to the shrinking of the employment market for the graduates.

The move towards the liberalization of urban planning services provide another challenge to urban planning graduates in Malaysia as it presents both opportunities as well as threats. In order to benefit from greater

opportunities arising from the liberalization of services, Malaysian urban planning graduates will have to adapt to a more open market environment. The graduates need to build up competency and competitiveness. But the same Report also stated that the local graduates lack the competitive edge to work in the broader market, to be employed by global firms and undertake offshore work. There should also be a willingness and ability to work and move to a new environment and be competitive according to international standards.

Another aspect worth remembering is opportunities for planners often depend on economic conditions (BLS, 2014). The demand for urban planners and the availability of planning works are much determined by the economic situation. Against these backdrops urban planning graduates may be facing an uncertain future if no efforts are made to broaden or diversify their employment opportunities as well as enhanced their competitive edge.

In comparison, employment opportunities for urban and regional planners in the United States were projected to grow 10 percent from 2012 to 2022, about as fast as the average for all occupations (BLS, 2014). The local governments account for about 66 percent of the urban planners. While an increasing proportion of planners were employed by private sector companies involved in engineering, architecture and management, scientific and technical consulting services. The majority of new opportunities for urban planners, however, were in affluent, rapidly growing communities (Campus Explorer, 2014). The positive outlook was attributed to several factors such as population growth, economic conditions, and environmental concerns.

In the United Kingdom about 70% of urban planning graduates were in employment within six months of graduating (Prospect, 2013). Of these, slightly less than 15% were town planning officers, and 16% were chartered surveyors. Other popular professions for the graduates include estate agents, auctioneers, housing officers, property, and housing and estate managers. Urban planning graduates in the UK are said to encroach into other areas such as engineering and building; marketing, public relation and sales; business, human resource and finance; and retail and catering. This indicates that there are avenues for urban planning graduates to diversify their employment market spectrum and not to depend solely on the restrictive present market.

In Australia, the number of employed urban planners has risen from 8,600 in 2002 to 14,500 in 2012 (Department of Employment, 2012). The 5-year occupation per cent growth was recorded at 26.1% compared to 8.1% for all occupations. In New Zealand, for the year 2010 to 2011, the number of employed urban planners increased by 180 from 2,673 to 2853 planners. However, for the year 2011 to 2012, the numbers decline to 105 new recruitments (MBIE, 2012). Chances of getting a job as an urban/regional planner in New Zealand are stated to be average, with the opportunities favouring experienced planners with at least five years' experience over recent graduates (careers.govt.nz, 2014).

## 3. The Employment Prospect of Urban Planning Graduates in Malaysia

Depicting an accurate picture of the employment status for urban planning graduates is almost impossible due to unavailability of actual data. Whatever data available are rather sketchy and did not cover urban planning graduates from all institutions that offer urban planning programs. However, the available data may give some indications to the employment situation that the urban planning graduates have encountered.

Data collected by UTM for the Ministry of Education Tracer Study 2013, indicated that, among the built environment disciplines, urban planning graduates were facing a tougher employment market. At the time the survey was conducted, only about 37% of urban planning graduates of the year 2013 successfully gained full time employment, while another 34% chose to further their studies. Of those gaining full time employment 54% were with urban planning firms; 11% dealing with property mortgage and logistic; 35% with retailing establishment. The proportion, however, has doubled compared to the year 2012 where only 16.4% managed to gain full time employment, of which 50% were with the urban planning firm; 10% each with developers; security firm; administration; customer service; 10% others.

A survey of urban planning firms conducted by the Department of Urban and Regional Planning, UTM 2013, showed that, the thirty-one planners from various local institutions who were employed in the twenty-one firms were recruited during the years 2010 to 2013. This came to be about 1-2 graduates for every 3-4 years per firm. Of the 31 of them, 68% managed to get employed within six months of graduation, 29% within 6-12 months of graduation, and 3% after more than 12 months of graduation. For the years 2007 to 2009, thirteen planners managed to get employment in thirteen firms; or about 1 graduate for every 2-3 years per firm. Of the 13 planners, 54% managed to get employed within six months of graduation, 31% within 6-12 months of graduation, and 15% after more than 12 months of graduation. This indicated that the market for urban planning graduates in Malaysia is rather tight. Although it can be argued that this evidence may not be convincing, it does show that there is an element of stiff competition and uncertainty facing urban planning graduates in the job market. Hence, the urgent need to explore and diversify the scope of potential employment destinations for the graduates.

#### **4. Industry's Perspective of the Employment Prospect of Urban Planning Graduates in Malaysia**

In order to gain insights from the industry on the employment prospect of urban planning graduates and the need for diversification, a structured interview survey was conducted involving agencies from both the public and the private sectors in Johor Bahru. A total of six respondents who are town planners were interviewed; three of them are from urban planning agencies, whose main tasks are preparing layout plan, documentation for planning permission application, and conducting planning studies; and three from planning related agencies that involved in transportation planning and housing. Initial findings from these interviews mirrored the employment situation as discussed above.

Respondents from both sectors agreed that during the immediate period and in the next five years to come, the employment prospects are rather challenging and competitive. Unlike in the US or Australia, where the public sectors were the main consumer of urban planning graduates, the public sectors in Malaysia have reached a plateau in terms of the absorption of the graduates. The recent major recruitment by the public sector was following the establishment of the One Stop Centers (OSC) in 2007. The Secretariat of the OSC is headed by urban planners, which were established to streamline development applications and approval process and minimize bureaucracy. The establishment of the OSC created new employment opportunities for urban planners in almost all local authorities in Malaysia. The establishment of OSC offices at the local authorities resulted in the reshuffling and re-designating of planning officers within the Federal and State Departments of Urban and Regional Planning. This created vacuums within the Departments which were then filled by new recruits.

The private sector demands, on the other hand, depend on the capacity of the firms to manage projects at hand. In the light of slow economic growth and lack of development funds, the availability of new projects is rather scarce and limited. Given this scenario, most of the respondents were of the opinion that they have achieved capacity and will not be able to recruit new planners. If they are any recruitment, it is a replacement for those who left or retired. Even if there are needs for new recruits, they prefer to recruit experienced planners rather than fresh graduates. The reason given was that experienced planners gave them time and cost advantage over new graduates. For any recruitment of new graduates will mean spending time and money on training to reach the level of competency required. With limited projects at hand, recruitment of new staff is a liability to the firms.

In quantifying the prospects of urban planning graduates able to gain employment, based on a scenario of a 100 graduates joining the employment market annually, most respondents were of the opinion that only between 5-10 percent of them successfully be employed. However, when asked about the number of new recruitments that they have acquired over the last five years, all firms stated that they recruited 2 staff and that confirmed the figure gathered from the survey conducted by the Industrial Training Coordinator. This made the estimation that 5-10% annual employment success rate of urban planning graduates rather optimistic, given about 250 urban planning graduates are produced annually. In addition to the reasons stated earlier, the policy towards a more educated workforce means a higher number of students enter university which will later lead to the inundating of the employment market. Since there are no clear caps to the number of students university programs have to accommodate, and owing to the inelasticity and slow growth of the employment sectors, an oversupply situation will inevitably surface.

#### **5. The Need to Broaden and Diversify**

Although the employment outlook for graduates of urban planning being employed in urban planning is not encouraging, it is not entirely depressing. Examples from the UK showed, urban planning graduates can and have secured employment in many other fields. Some local urban planning graduates too, have shown that they are able to secure employment in other fields besides planning, although they are not yet widespread. As respondents from the interviews have concurred, the knowledge and skills that the graduates have gained from the urban planning programs are not only applicable in conventional planning practices but also to many related areas.

However, there are several issues that need to be addressed. Firstly, the lack of exposure regarding the broader job market among the urban planning graduates. For a long time the students of urban planning have framed their mind, mainly towards the urban planning fraternity. After graduating, their employment search focuses on the agencies and departments that directly deal with urban planning. Graduates overlooked that urban planning is a multi-disciplinary field, incorporating aspects such as the environment, housing, transport, property valuation, development process etc., which can act as feelers in their search for employment opportunities in allied agencies such as environmental, transportation and logistics agencies, property developers, utilities and telecommunications agencies, etc. As examples have shown there are openings for urban planning graduates in these agencies among others. The institutions offering the programs, on their part, should do more to expose students to a broader employment market for their graduates by engaging potential agencies allied to urban planning to deliberate on their scope of work and the possibilities of

urban planning graduates being roped into the organization.

Secondly, the lack of motivation and ingenuity, among the graduates, to apply and adapt the knowledge and skills acquired, to suit the requirements of the planning related fields. Knowledge and skills that were taught in the urban planning program does not necessarily only confined to be applied within the field. The knowledge and skills are usually adaptable to be employed in numerous fields. The knowledge on housing, the development process and aspects of valuation for example, can be useful in the search for employment, for example, with housing developers. The knowledge of transportation planning can open doors to employment in logistics agencies and transportation consultants. Technical skills such as GIS, remote sensing, statistical analysis, "AutoCAD", "Sketchup"; and social skills such as communicating, teamwork, data gathering and analysis skills, technical writing skills, multitasking and presentation skills are transferable skills that can be applied in a wider scope of work. What is needed is creativity on the graduate's part. Current urban planning students are advised to start keeping a folio of their work as evidence of their competency, and use them as a means of advertising their capabilities during interviews. Graduates, on the other hand, may have to bury their pride and offer themselves for short term attachments at agencies, probably with minimal pay, to get the experience required to enhance their competitiveness in the employment market.

Thirdly, the lack of adventurousness among urban planning graduates to explore and venture into new areas and surroundings. With the knowledge and skills mentioned above, graduates should have the confidence to seek new things, venture into new areas and new surroundings. The move towards liberalization of urban planning services provides a springboard and platform for urban planning graduates move abroad and not only confine to local employment opportunities. With the increasing emergence of a global labor market, the graduates must not only enhanced their knowledge and skills, but also develop a competitive personality to attain to the international expectation. The education of planners too should shift its orientation, from concentrating on process and procedures, to greater focus on analytical and decision making.

Lastly, jobs are associated with the specific discipline of the degree. It is unfortunate that, in Malaysia, the jobs are still rigidly associated with the specific discipline of the degree and not on what the holders of the degrees could offer. The mindset of the employers has to change, as rigidly associating jobs to the specific discipline of the degree may alienate potentially capable candidates that could possibly create more diversity in the job scope of an organization. The findings of a graduate recruitment survey undertaken in the UK showed that besides degree classification, competencies were more widely used as a selection criterion by employers than relevant work experience or specific degree subject (AGR, 2010). The graduate should demonstrate that they are competent in the skills that they have developed and the networks they have established through the extracurricular activities that they were involved in. In a period where the employment market is competitive and restrictive, graduates searching for jobs are recommended to conduct rigorous research into potential employers and into the sector prior to interviews (AGR, 2013). This is aimed at ensuring that graduates have a clear understanding of what the business is about prior to the interview. Graduates also are advised to be flexible and willing to relocate to broaden the number of opportunities available to them.

## 6. Conclusion

The *massification* of higher education that produces large numbers of

graduates along with the stiff employment opportunities has resulted in a phenomenon of graduates' unemployment among the Urban and Regional Planning graduates. Of late, the mismatch of knowledge and skills attained from the University and the industry's expectation did not suit the demands of the rapidly growing economy. Graduates are also often criticized for lacking soft skills such as social skills, interpersonal relationships, motivation, critical thinking, communication, creativity, and language skills that are extremely important to employers.

In Malaysia, it has been a tradition that planning graduates work in urban planning organization and the number of graduate working in planning related organization is insignificant. The uncertain economic scenario led to scarce and limited planning projects to planning firms, leading them to be very selective in recruiting new staff. Planning firms prefer to employ experienced staff rather than recruiting fresh graduates because employers get more immediate value out of staff with experience. A survey on planning firms stated that firms recruited about 2 staff per firm for the last five years and generally has employed about 2 graduates for every 3-4 years. Although this evidence may not be convincing, it showed that there is an element of uncertainty facing urban planning graduates in the job market. Thus, there is a need to explore and diversify the scope of potential employment destinations for the graduates. It is also evident that some local urban planning graduates are able to gain employment in many other related fields such as in transportation, urban design and housing developers. The knowledge and skills that the graduates have gained from the urban planning programs are applicable in many related areas not only in urban planning practices.

It is common in countries like the UK and USA that planning graduates working in other planning related field; among others in engineering, estate property, management and architecture, marketing, public relation and sales; business, human resource and finance; retail and catering. This indicates that there are avenues for urban planning graduates to diversify their employment market spectrum and not solely dependent on planning agencies only.

The advent of the liberalization of urban planning services in Malaysia in 2010 is an urge to tertiary education institutions to produce graduates not only to cater for local needs but also with the capability of exporting their skills and services internationally. The move towards liberalization of urban planning service provides a bridge for urban planning graduates to move abroad and not only confine to local employment opportunities. Malaysian urban planning graduates will have to adapt to a more open market environment so as to benefit from greater opportunities arising from the liberalization of services.

Based on the current scenario, the employment prospect of urban planning graduates in the immediate future seems to be tight; however, there is a possibility of diversifying employment opportunities for urban planning graduates. Due to the uncertainties of the employment market for urban planners, planning graduates should have the motivation and ingenuity to utilize and adapt the acquired knowledge and skills to suit the requirement of alternative planning related fields. Graduates should also be able to explore and venture into new fields and be competent and competitive to the global market.

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