

## **Chapter One**

### **Introduction**

This chapter presents the introduction of the study by elaborating several points, such as the background of the research, identification of the problem, delimitation of the problem, research question, the objectives of the research, the significance of the research, and organization of the research.

### **Background of the Research**

Lately, graduates of higher education program who become unemployed have become a concern in Indonesia. The Central Statistics Agency (BPS) examined the number of unemployed people in Indonesia reaching 8.43 million people in August 2022. Of the 8.43 million people, fresh graduates approximately 670.000 people. This number has decreased by 1% compared to 2021 (Kusnandar, 2023). Even so, the number of unemployed fresh graduates is of course influenced by several factors. Internal and external factors such as the skill abilities of the graduates themselves or the qualifications required by the company. Some of these factors have been in the spotlight in Indonesia from the perspective of students or companies to date. In fact, as many as 22.9% of one university in Yogyakarta alumni who graduate in 2021 are unemployed and 6.1% are not yet able to work (Ardianto et al., 2021). This number states that the university itself contributes around 29% of the 673.000 unemployed students.

In Indonesia, the factors that lead to unemployment among fresh graduates typically begin with the emergence of fear and worry before applying for work, as well as job qualification requirements that call for work experience even though they are recent graduates who have never worked before (Nurjanah, 2018). Research conducted

by Hossain et al. (2018) in Malaysia highlights several factors that affect unemployment among fresh graduates. Fresh graduates who have good grades are not guaranteed to get a job after completing their studies. They certainly need more soft skills such as leadership, communication, intelligence, and analytical thinking. In addition, work skills are also very important for fresh graduates to start or before entering the work fields. Good job skills lead to the creation of fresh graduates with a good job ethic, exhibit proactiveness, and demonstrate problem-solving abilities in the workplace. These factors need to be addressed in order to reduce the unemployment rate for fresh graduates. In addition, this factor is the key for the government, universities and departments to provide breakthroughs so that students have job readiness skills way in advance before they graduate.

Recently, the government has provided a breakthrough to overcome the problem of unemployment for fresh graduates. Independent Learning-Independent Campus (MBKM) is a program launched in 2020 by the Minister of Education and Culture with the aim of encouraging students to master various knowledge so that they are ready to work. MBKM itself provides grant to cover study programs and programs at the institutional level with priority for the Learning-Independent Campus (MBKM) management system. The Independent Campus Competition Program (PKKM) is one of the programs launched by the government to address the problem of unemployment in terms of work experience. This program was first launched in 2021 and modified in 2022 and in 2023 there are slight changes from the evaluation in the previous year. PKKM is carried out in collaboration with the Industry Internship (DUDI) and top world class universities to facilitate increasing the nation's competitiveness in higher education level. In addition, this program aims to improve the quality of higher

education by fostering aspirations, innovation and the enthusiasm of the academic community to see the development of science and technology and the atmosphere of people's lives (Nizam, 2022). With this, of course, the government expected to reduce the unemployment rate and provide skills to fresh graduates.

In academic year 2020/2021, in a Language Education Department at one Islamic private university in Yogyakarta has implemented at least four programs including Visiting Scholar, Practitioner Teaching, Industry Internship (DUDI) and Business Incubation (In-Bis). In its execution, the process appears seamless, and English Language Education Department (ELED) students likewise reap the full advantages of converting the 20 credits. Nonetheless, the program's effectiveness remains uncertain and there is no guarantee that students also attain their desired outcomes. Similarly, research by Andrian et al. (2022) found that one of MBKM's output programs, namely Independent Campus Competition Program (PKKM), had not been effective. This is due to the lack of socialization of the program to be implemented. As a result, 60 respondents from the study stated the ineffectiveness of the PKKM program in increasing skills and meeting future needs.

In academic year 2021/2022, in a Language Education Department at one Islamic private university in Yogyakarta has the opportunity to continue the PKKM program, namely Industry Internship and Business Incubation (In-Bis). In practice, the Industry Internship program functions as a job training initiative where the Language Education Department at one of the private Islamic universities in Yogyakarta collaborates with various companies covering the fields of education, business and tourism. The department has high expectations for this partnership, which aims to provide students with hands-on experience in the professional field. Some of the partner

companies include Travelxism, English Cafe, Wesclie, Berindah, STTKD, Borobudur Tourism Village, and many more.

Meanwhile, the Business Incubation program focuses on internships in the field of entrepreneurship and is carried out in two companies, namely Bilingual and Wesclie. This program is primarily aimed at fostering startups, providing participants with comprehensive guidance regarding the creation and establishment of such businesses. With these two programs, ELED students are able to improve their soft skills and of course have an idea of the challenges in the world of field work in the future.

The primary objective of implementing the Independent Campus-Competition Program (PKKM) is to enhance ELED students' soft skills, including critical thinking, effective communication, teamwork, and flexibility. These abilities are crucial for achieving success in the constantly expanding job market. Nevertheless, these programs encounter other obstacles, such as the incorporation of industry-specific training into conventional academic curricula and guaranteeing fair access to internships and real-world projects. Furthermore, ensuring sufficient resources and support for both students and professors is crucial for the program's success. The intricacy of promoting partnership between institutions and industry to generate pertinent and influential learning experiences also presents noteworthy obstacles. Resolving these problems is crucial for fully achieving the promise of the Independent Campus-Competition Program (PKKM) program.

The Inbis and DUDI programs implemented by ELED are considered by researchers to be programs that are very suitable for research because they are implemented in various places and also in various fields as mentioned previously.

Students may learn new soft skills according to the place and field they are in. To support the success of the program, of course, socialization and strategies for the program being held are needed. As with the strategy put forward by Dwikoranto (2022) namely by using the Entrepreneurial PKKM Model. The PKKM Entrepreneurship model is feasible to be developed in order to increase student creativity in producing products. From the results of the review, researchers feel that this program has many benefits for its participants. Therefore, this research is conducted to identify soft skills learned and the challenges encountered by participants in the Industry Internship (DUDI) and Business Incubation program.

### **Identification of the Problem**

Students are currently experiencing concerns about the future of the world of work. Many fresh graduates become unemployed after completing their studies because of soft skills problems. With this breakthrough program, it is hoped that the department can help overcome student anxiety through soft skills training outside of class hours. Moreover, the current implementation of the program deviates from the initial plan. Initially, Business Incubation program participants were expected to be able to continue their business plans, present them to Vessel, and establish their own start-up business. However, in fact, this activity was not realized. Hence, this research aims to identify soft skills learned and the challenges encountered by participants in the Industry Internship (DUDI) and Business Incubation program. In addition, exploring the advantages and disadvantages of the previous program to emerge a new strategy for implementation in the following year.

## **Delimitations of the problems**

This research focuses solely on students from the English Language Education Department at a single Islamic private university in Yogyakarta. Specifically, it pertains to students from the 2020 academic year who participated in English Language Education Department (ELED) at one Islamic private university in Yogyakarta. This research focuses on the PKKM Industry Internship and Business Incubation programs. Moreover, this research focuses on ELED student's perception of the soft skills learned from Industry Internship and Business Incubation activities and also the challenges encountered during program implementation.

## **Research Questions**

This research was conducted to answer the question below:

- 1) What soft skills are learned after joining in the Industry Internship (DUDI) and Business Incubation in ELED at one Islamic private university in Yogyakarta as perceived by students?
- 2) What challenges can occur from participating in Industry Internship (DUDI) and Business Incubation Program in ELED at one Islamic private university in Yogyakarta?

## **Purpose of the research**

There are three objectives in this research based on the research questions above:

1. To identify soft skills learned from Industry Internship and Business Incubation activities.
2. To find out the challenges that occur while participating in the Industry Internship and Business Incubation activities.

## **Significance of the Research**

This research aims to help various parties, including English learners, and for other researchers.

## ***Department***

The department obtains information regarding how students acquire soft skills through their participation in various programs. This data aids in facilitating on-campus support for students. It serves as essential evaluation material and a reference for crafting strategies to address student anxiety in their future work fields.

## **Teachers**

For teachers, this research is expected to be a new strategy in improving student skills outside of the course. The role of teachers in encouraging students to participate in future programs is very much needed. Of course, the implementation of the program is expected to be able to develop student soft skills, make it easier for students to achieve a graduation profile, and meet future needs.

## ***Students***

For students, the PKKM program is expected to be used as an alternative to add soft skills, not just to gain experience. The findings of this study may influence how students think about the PKKM program that will be held in the following year. In addition, it is hoped that students can improve their problem-solving intelligence in the world of work because the world of work is very different from when they were in college.

### ***Other Researchers***

For future researchers, this research can be used as a reference or to continue further research. And furthermore, this research is intended to inform further research on the Merdeka Campus Competition Program. This research can replicate or refine previous research on the benefits and challenges of the Merdeka Campus Competition Program. Motivate other scholars to conduct research on the same subject or field or develop this research. In addition, other researchers can compare or refer to research results while carrying out additional analysis or development on the same subject.

### **Organization of The Chapters**

Chapter one is Introduction, it consists the reason why the researcher chose PKKM as a topic, why Industry Internship and Business Incubation, and why choose that research setting.

Chapter two is theoretical background or review of literature. It consists of the underlying theories about Industry Internship and Business Incubation Program, soft skills learnt during Industry Internship and Business Incubation, and challenges faced by students in the Industry Internship and Business Incubation.

Chapter three is research method this chapter discusses the methodology used in conducting this research. It presents the research design, research setting, research participant, data collection technique, data collection procedure, data analysis, and trustworthiness.

Chapter four is research findings and discussions this chapter describes the research findings and discussion. The research findings are based on data obtained



during interviews regarding student perceptions of the Industry Internship and Business Incubation programs.

Chapter five conclusions and suggestions, this chapter discusses conclusions and suggestions based on research results and discussions