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The Relationship between Skills Development, Internship Programs and Accounting Graduates' Employability in Malaysia

Anis Asyiqin Mohd Ariffin[1] & Adibah Jamaluddin[1]

[1] Faculty of Accountancy, Universiti Teknologi MARA, Shah Alam, Selangor, Malaysia

Correspondence: Adibah Jamaluddin, Faculty of Accountancy, Universiti Teknologi MARA (UiTM), 40450 Shah Alam, Selangor, Malaysia. E-mail: adibahj@uitm.edu.my

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Abstract

Upon entering the workforce, accounting graduates in Malaysia face significant challenges, including a slight decline in graduate employability from 90.2% in 2022 to 89.8% in 2023. This study examines how skills development (technology and interpersonal skills) and internship programs affect the employability of Malaysian accounting graduates. Grounded in Human Capital Theory, this study uses a quantitative design and an online survey distributed to accounting graduates across Malaysia. The study used SPSS to analyse a final sample of 390 valid responses. The study found that employees had a high level of technical and experiential preparedness. While technology skills, interpersonal skills, and internship programs are strongly and positively associated with graduate employability, interestingly, interpersonal skills exhibited the strongest predictive contribution. These findings show that while technology competencies and hands-on internship experience are essential in the digital era, interpersonal soft skills primarily drive graduate marketability. Higher education institutions (HEIs) must proactively reform accounting curricula, in collaboration with professional bodies, to integrate advanced digital technologies, communication workshops, and structured internship models.

Keywords: accounting graduates' employability, technology skills, interpersonal skills, internship programs, Human Capital Theory

1. Introduction

Graduate employability in Malaysia is a critical metric of how well higher education provisions align with the labor market's dynamic demands. According to recent reports published by the Malaysian Ministry of Higher Education (MOHE), the national graduate employability rate experienced a slight decline, dropping to 89.8% in 2023 from 90.2% in 2022 (DOSM, 2023). While this decline may appear marginal, it highlights a deep-seated structural issue in Malaysia's workforce, i.e., a persistent mismatch between graduate skill sets and corporate requirements. Previous literature has heavily documented that skills deficits and misalignment between curriculum and employer expectations are the leading causes of graduate unemployment in Malaysia (Jamaludin et al., 2019; Nasreen et al., 2022; Teng et al., 2019).

These structural shifts are further amplified by the evolving recruitment practices of leading global multinational corporations, which are increasingly adopting skill-based hiring models over traditional degree requirements (Dongre & Kanchan, 2025). Consequently, higher education institutions (HEIs) face intense pressure to critically re-evaluate their course structures and teaching methods. The contemporary professional landscape requires graduates to demonstrate immediate operational competence, reducing the lag between graduation and high performance.

The accounting profession, in particular, is experiencing a profound technological transformation. Rapid advances in Information and Communication Technology (ICT) and the rise of Industrial Revolution 4.0 (IR 4.0) have increasingly automated routine bookkeeping and compliance operations. As warned by Abdullah et al. (2023) traditional accounting roles are highly vulnerable to digital disruption, requiring modern accounting practitioners to possess sophisticated digital competencies such as big data analysis, predictive analytics, and enterprise resource planning (ERP) systems. However, a significant gap remains between university curricular offerings and the technical proficiencies demanded by modern accounting practices (Garcia-Chitiva & Correa, 2024; Ku Bahador et al., 2018).

Beyond technical and digital proficiencies, professional accountants in the digital era are no longer confined to back-office calculation roles; they increasingly serve as strategic business advisors and client-facing partners. Consequently, exceptional interpersonal competencies, encompassing oral presentation, active listening, cross-cultural collaboration, and emotional intelligence, are highly valued by corporate recruiters (deSilva, 2015; Robles, 2012; Sheikh, 2009). Universities must therefore cultivate both technical acumen and soft interpersonal skills. This dual-track competency is reinforced by structured internship programs, which provide students with vital experiential learning, allowing them to apply abstract classroom concepts to tangible, real-world commercial problems (Chan et al., 2020; Colleges & Employers, 2011).

Despite the broad consensus on the importance of digital tools, interpersonal soft skills, and hands-on work experience, empirical research that simultaneously evaluates these three determinants among accounting graduates in Malaysia remains limited. This study addresses this gap by quantifying the individual and collective statistical relationships between technology skills, interpersonal skills, and internship programs and accounting graduates' employability. The empirical findings aim to provide university academic planners, corporate professional organizations (such as the Malaysian Institute of Accountants, MIA), and policymakers with robust, data-driven insights to reform current educational standards.

1.1 Research Objectives

(1) To assess the level of technology skills development among accounting graduates in Malaysia and its empirical association with their employability.

(2) To evaluate the level of interpersonal skills development among accounting graduates in Malaysia and its empirical association with their employability.

(3) To explore the empirical role and statistical contribution of university internship programs in enhancing accounting graduates' employability.

1.2 Research Questions

(1) How does the level of technology skills development among accounting graduates in Malaysia relate to their employability?

(2) How does the level of interpersonal skills development among accounting graduates in Malaysia relate to their employability?

(3) What are the empirical associations and significance of internship programs on accounting graduates' employability?

2. Literature Review and Hypothesis Development

2.1 Underpinning Theory: The Human Capital Theory

The theoretical foundation of this research is deeply rooted in Human Capital Theory (HCT), pioneered by economists (Becker, 1964; Schultz, 1961). Under HCT, an individual's skills, knowledge, and experience are conceptualized as capital investments that directly enhance economic productivity. Education and professional training are viewed as investment activities that increase an individual's market value, subsequently yielding returns in the form of enhanced employability and career progression (Mincer, 1958). For professional fields such as accountancy, HCT is particularly relevant; rigorous attainment of specialized digital proficiencies and soft interactive skills represents deliberate capital accumulation that signals high productivity to potential employers.

In Malaysia, HCT has strongly guided national educational and economic development plans. The Malaysian government has consistently prioritized human capital cultivation as a mechanism to transition into a high-income, knowledge-based economy (Islam et al., 2016). However, recent critiques suggest that Malaysian universities' traditional focus on narrow, technical classroom metrics has left critical soft and digital skills underdeveloped relative to regional standards (Azman et al., 2016). This has prompted public and private universities to integrate holistic learning contract concepts and soft-skills frameworks (Selamat et al., 2013). This study uses HCT to operationalize technology skills, interpersonal skills, and internship experiences as critical dimensions of accumulated human capital that directly influence employability in the job market.

2.2 Graduate Employability in the Accounting Profession

Graduate employability is defined as a complex set of achievements, skills, understandings, and personal attributes that make graduates more likely to gain employment and be successful in their chosen occupations (Hillage & Pollard, 1998). In professional accounting, employability requirements have shifted substantially over the past

decade. Employers increasingly expect competencies that extend beyond traditional technical ledger management (Ismail et al., 2020). Modern accounting graduates are expected to demonstrate immediate proficiency in corporate software, possess excellent oral and written communication abilities, and show high levels of professional resilience (Ebaid, 2022; Lim et al., 2016).

The Malaysian Institute of Accountants (MIA) has actively advocated for a comprehensive restructuring of university accounting programs, noting a substantial gap in digital and communication capabilities among recent graduates (Malaysian Institute of Accountants, 2020). Developing these skills requires a multi-faceted pedagogical approach, combining rigorous academic knowledge with hands-on technical application and real-world industry exposure (Williams, 2015; Wilson, 2012).

2.3 Technology Skills and Graduate Employability

The contemporary accounting environment is heavily defined by digitized processes, cloud platforms, and big data. Automated systems increasingly replace routine manual reconciliation. Today, accounting graduates must wield sophisticated computing skills to navigate complex Enterprise Resource Planning (ERP) systems, cloud-based software (such as QuickBooks, Sage, or Xero), and collaborative digital platforms (Kwarteng & Mensah, 2022). Furthermore, emerging digital capabilities such as predictive analytics, data visualization, and digital security measures have become central to modern business models (Januszewski & Buchalska-Sugajska, 2022).

Despite this critical need, literature reports a notable gap in students' practical familiarity with specialized accounting technologies, suggesting that universities remain heavily focused on theoretical accounting concepts at the expense of practical technical training (Garcia-Chitiva & Correa, 2024; Panja, 2018). Under Human Capital Theory, digital and technical proficiencies constitute highly specialized human capital that significantly increases an individual's workplace efficiency, making them highly attractive to corporate recruiters (Ayofe & Ajetola, 2009). Thus, we hypothesize:

H1a: Technology skills development is significantly and positively associated with the employability of accounting graduates in Malaysia.

2.4 Interpersonal Skills and Graduate Employability

Interpersonal skills represent the behavioural and social competencies necessary to communicate, collaborate, and manage relationships effectively in a professional environment (Bennett et al., 1999). In the accounting domain, excellent interpersonal soft skills, including oral presentations, professional negotiation, active listening, conflict resolution, and cross-cultural empathy, are vital (Merlone, 2015; Robles, 2012). As professional accountants increasingly take on advisory and consultancy roles, their success depends heavily on their capacity to translate complex financial data into clear, persuasive, and actionable insights for non-financial stakeholders (deSilva, 2015; Sheikh, 2009; Tan & Fawzi, 2017).

Employers consistently rank interpersonal soft skills as equal to or more important than academic grades during recruitment (Ghani et al., 2018). Professional soft skills are critical for establishing collaborative work dynamics, driving organizational efficiency, and navigating complex corporate hierarchies (Dean, 2017; Parvaiz et al., 2017). Therefore, soft skills represent a vital component of accumulated human capital. This leads to the following hypothesis:

H1b: Interpersonal skills development is significantly and positively associated with the employability of accounting graduates in Malaysia.

2.5 The Role of Internship Programs and Graduate Employability

Internship programs represent a structured form of experiential learning, enabling undergraduate students to spend a defined period working inside a professional organization before graduation (Chan et al., 2020). Internships are widely recognized as critical mechanisms for bridging the gap between abstract academic theories and the pragmatic realities of professional practice (Colleges & Employers, 2011). Through active participation in daily commercial tasks, interns develop essential professional competencies such as technical problem-solving, workplace ethics, and professional communication (Moghaddam, 2011).

From an institutional perspective, internships are highly effective recruitment channels. Organizations frequently utilize internship programs as extended screening mechanisms, offering permanent full-time roles to high-performing interns upon graduation (Baron-Puda, 2017). Internship participation also shapes students' professional values, instills personal accountability, and builds valuable social networks that significantly enhance their marketability

Moghaddam (2011, 2014). Consequently, internship experience constitutes a significant capital investment within the HCT framework. We therefore hypothesize:

H1c: Participation in structured internship programs is significantly and positively associated with the employability of accounting graduates in Malaysia.

3. Research Methodology

This study adopts a rigorous quantitative research design to empirically test the hypothesized relationships between the independent variables (technology skills, interpersonal skills, and internship programs) and the dependent variable (accounting graduates' employability). The study used a survey methodology to collect primary data from a large sample of accounting graduates across Malaysia. Quantitative analysis is highly appropriate for this research because it enables the quantification of relationships, testing of statistical hypotheses under a structured theoretical framework, and generalizability of empirical findings across the broader target population (Gray, 2019; Sekaran & Bougie, 2010).

3.1 Sampling Design and Population

The target population for this study comprises accounting graduates from both public and private universities across various regions in Malaysia. According to the Graduates Statistics 2022 report published by the Department of Statistics Malaysia (DOSM, 2023) the total number of graduates nationwide was approximately 5,920,000. However, this figure includes graduates across various disciplines, so the specific population size for accounting graduates could not be determined. Hence, this study utilized a non-probability sampling approach, specifically convenience and snowball sampling, rather than simple random sampling (Sekaran & Bougie, 2010). Despite the non-probability sampling method, the target sample size was guided by standard formulas for large, unknown populations (Almeda, 2010) :

$$n = \frac{Z^2 * p(1-p)}{e^2}$$

Where n is the target sample size, Z is the standard normal distribution score corresponding to a 95% confidence level (Z = 1.96), p is the estimated proportion of the attribute in the population (assumed to be 0.5 for maximum variability), and e is the margin of error (e = 0.05). Under these parameters, the minimum required sample size is 384. The final target sample was 390 accounting graduates, with individuals as the primary unit of analysis.

3.2 Data Collection and Instrumental Design

We collected primary data using an online, self-administered questionnaire built in Google Forms and distributed via email and professional networks (such as LinkedIn and WhatsApp) from April 26 to May 10, 2024. The questionnaire was structured into three main components: Section A captured demographic and academic details (gender, age, university type, highest degree, internship duration, and sector); Section B measured the dependent variable, accounting graduates' employability (7 items on a 5-point Likert scale, adapted from Hillage and Pollard (1998); Pollard, 1998; Ismail et al., 2020;Wilson, 2012); and Section C evaluated the three independent variables using 5-point Likert scales (1 = Strongly Disagree, 5 = Strongly Agree). Specifically, technology skills consisted of 7 items adapted from Calumpiano (2023) and Ayofe and Ajetola (2009); interpersonal skills comprised 7 items adapted from Calumpiano (2023), deSilva (2015), and Sheikh (2009); and internship programs included 8 items adapted from Barnwell (2016). To ensure measurement transparency and reproducibility, the Appendix provides the complete list of questionnaire items, adapted from previously validated studies to suit the Malaysian accounting context.

3.3 Statistical Model Specification

The quantitative data collected were analysed utilizing SPSS Version 28. To empirically test the collective and individual predictive capacities of the independent variables on accounting graduates' employability, a Multiple Linear Regression model was specified as follows:

$$ACCGRAEMP = \beta o + \beta 1\ TECSKL + \beta 2,\ INTSKL + \beta 3,\ ROLINT + \varepsilon \ldots. \quad (1)$$

Where ACCGRAEMP represents Accounting Graduates' Employability (DV); TECSKL represents Technology Skills (IV1); INTSKL represents Interpersonal Skills (IV2); ROLINT represents the Role of Internship Programs (IV3); βo is the constant intercept; β1, β2, and β3 are the unstandardized regression coefficients; and ε represents the random disturbance error term.

4. Results and Findings

4.1 Response Rate and Participants Demographics

We distributed 530 online questionnaires to potential respondents and received 418 responses (an overall response rate of 78.87%). After rigorous screening, we excluded 28 responses because participants did not meet the criteria of being accounting graduates. This resulted in a final clean dataset of 390 valid responses, which were utilized for all subsequent statistical analyses. Table 1 presents the comprehensive demographic profile of these 390 respondents.

Table 1. Participant Demographic Profile (N=390)

Demographic Characteristic	Frequency (N)	Percentage (%)
Gender		
Female	300	76.9
Male	90	23.1
Age Category		
Between 20 and 25 years	135	34.6
Between 26 and 30 years	210	53.8
Between 31 and 35 years	45	11.5
University Type		
Public University	203	52.1
Private University	187	47.9
Highest Educational Level attained		
Bachelor Degree	301	77.2
Diploma	48	12.3
Master Degree	41	10.5
Total Sample Size	390	100.0

As detailed in Table 1, female graduates are heavily represented in the sample (76.9%), reflecting the current demographic trend in Malaysian public and private university accounting faculties. The largest age segment is 26 to 30 years old (53.8%), followed by those aged 20 to 25 years (34.6%). This indicates that the sample consists mainly of early-career accounting professionals who have recently entered the labor market. Respondents are evenly divided between public (52.1%) and private (47.9%) universities. Regarding highest qualification, most hold a Bachelor's degree (77.2%), with 12.3% holding a Diploma and 10.5% holding a Master's degree.

4.2 Descriptive Analysis of Variables

Descriptive statistical analysis was conducted on all composite variables to compute the Range, Minimum, Maximum, Mean, and Standard Deviation (SD). This analysis provides a fundamental understanding of graduates' perceptions of their skills development and employability. Table 2 presents these descriptive statistics.

Table 2. Descriptive Statistics of Variables (N=390)

Variable	N	Min	Max	Mean	SD
Accounting Graduates' Employability (DV)	390	2.29	5.00	3.678	0.893
Technology Skills (IV1)	390	2.71	5.00	3.968	0.501
Interpersonal Skills (IV2)	390	2.29	5.00	3.661	0.878
Internship Programs (IV3)	390	1.75	5.00	3.997	0.530

Table 2 indicates that technology skills development (Mean = 3.968, SD = 0.501) and internship program effectiveness (Mean = 3.997, SD = 0.530) received the highest mean scores, both approaching 4.0 on a 5-point Likert scale. This suggests that accounting graduates perceive their digital training and internship experiences as highly substantive. Accounting graduates' employability (Mean = 3.678, SD = 0.893) and interpersonal skills (Mean = 3.661, SD = 0.878) also showed moderate-to-high mean values, indicating a strong positive orientation toward self-reported soft skill development and marketability.

4.3 Instrument Reliability Analysis

To verify the internal consistency and reliability of the multi-item scales, the study computed Cronbach's alpha coefficients. According to Bland and Altman (1997) and Cronbach (1951) a coefficient of 0.70 or higher is deemed acceptable for research purposes, with values above 0.80 reflecting excellent internal consistency. Table 3 outlines the reliability results.

Table 3. Scale Reliability Statistics (N=390)

Scale / Variable	Number of Items	Cronbach's Alpha
Accounting Graduates' Employability (DV)	7	0.955
Technology Skills (IV1)	7	0.735
Interpersonal Skills (IV2)	7	0.955
Internship Programs (IV3)	8	0.815

As reported in Table 3, all scales demonstrated strong internal consistency. The Accounting Graduates' Employability and Interpersonal Skills scales both showed extremely high alpha values (alpha = 0.955), followed by Internship Programs (alpha = 0.815) and Technology Skills (alpha = 0.735). Because all alpha values significantly exceeded the 0.70 threshold, the instrument was deemed highly reliable and stable for parametric hypothesis testing.

While these high Cronbach's alpha values indicate excellent internal consistency, values as high as 0.955 (observed for both employability and interpersonal skills) may also suggest some item redundancy. Because some questionnaire items may capture highly overlapping concepts, future studies would benefit from conducting an exploratory factor analysis (EFA) to ensure these constructs are distinct.

4.4 Regression Assumption Diagnostics

Prior to conducting the multiple linear regression analysis, diagnostic tests were performed to ensure that the fundamental statistical assumptions, i.e., residual normality, linearity, homoscedasticity, and independence of errors, were satisfied. First, we evaluated the normality of the error terms (residuals) rather than the raw variables. Inspection of the Normal Probability Plot (P-P Plot) of the regression standardized residuals showed that the plotted points closely followed the diagonal line, indicating that the residuals approximate a normal distribution.

Second, we evaluated the assumptions of linearity and homoscedasticity by inspecting a scatterplot of the standardized residuals against the standardized predicted values. The scatterplot showed a random, even dispersion of data points around the zero line, with no distinct patterns. This confirms a linear relationship between the predictors and the dependent variable, and that the variance of the residuals remains constant across all levels of predicted values.

Third, we verified the independence of observation errors using the Durbin-Watson statistic. The analysis yielded a Durbin-Watson value of 1.92, which falls within the acceptable threshold of 1.5 to 2.5, indicating no first-order linear autocorrelation among the residuals.

Parametric statistical techniques, such as Pearson correlation and multiple regression, require the data to follow a standard normal distribution. We assessed normality by calculating Skewness and Kurtosis statistics. According to

George and Mallery (2003, 2010), data are considered normally distributed if Skewness and Kurtosis values fall strictly within the acceptable range of -2 to +2. Table 4 presents the normality results.

Table 4. Normality Test Statistics (N=390)

Variable	Mean	5% Trim	Var	SD	Skew	Kurt
Accounting Graduates' Employability (DV)	3.678	3.682	0.798	0.893	0.012	-1.166
Technology Skills (IV1)	3.968	3.971	0.251	0.501	0.096	-0.461
Interpersonal Skills (IV2)	3.661	3.662	0.770	0.878	0.019	-1.109
Internship Programs (IV3)	3.997	4.006	0.281	0.530	-0.154	0.092

As detailed in Table 4, the 5% trimmed means for all variables did not differ significantly from their raw means, indicating that extreme values had minimal influence. Crucially, the Skewness values (ranging from -0.154 to 0.096) and Kurtosis values (ranging from -1.166 to 0.092) fell strictly within the prescribed -2 to +2 range. This indicates a normal distribution for each variable, justifying parametric analyses.

4.5 Pearson Bivariate Correlation Analysis

To assess the strength and direction of linear relationships between variables, we computed Pearson correlation coefficients. Following Pallant (2011) correlation coefficients (r) between 0.10 and 0.29 are classified as weak, 0.30 to 0.49 as moderate, and 0.50 to 1.0 as strong. Table 5 displays the correlation matrix.

Table 5. Pearson Bivariate Correlation Matrix (N=390)

Variable	Employability	Technology	Interpersonal	Internship
Employability	1.000	0.808**	0.868**	0.679**
Technology	0.808**	1.000	0.650**	0.776**
Interpersonal	0.867**	0.650**	1.000	0.508**
Internship	0.679**	0.776**	0.509**	1.000

Note: **Correlation is significant at the 0.01 level (2-tailed)

Table 5 shows that all three independent variables are strongly and positively correlated with graduate employability ($p < 0.01$). Interpersonal skills showed the strongest relationship with employability ($r = 0.867$), followed by technology skills ($r = 0.808$) and internship programs ($r = 0.679$). These strong correlations preliminarily support the hypothesized positive associations.

4.6 Multiple Linear Regression Analysis

To assess each independent variable's unique predictive influence while controlling for the others, we performed a multiple linear regression analysis. Before regression testing, we evaluated multicollinearity diagnostics. We computed Variance Inflation Factor (VIF) and Tolerance statistics to ensure model validity. According to Hair et al. (2011) and Pallant (2011) VIF values below 5.0 and Tolerance values above 0.20 indicate that multicollinearity is within acceptable limits. In this study, tolerance values ranged from 0.309 to 0.577, and VIF values ranged from 1.733 to 3.238. These results indicate that multicollinearity is not a significant concern, confirming the stability of the regression model parameters.

Table 6. Multiple Linear regression & Collinearity Statistics (N=390)

Variable	B	Std. Err	Beta	t	P-val	Tol	VIF
Technology	0.577	0.061	0.324	9.485	0.001	0.309	3.238
Interpersonal	0.602	0.025	0.592	23.701	0.001	0.577	1.733
Internship	0.215	0.051	0.128	4.241	0.001	0.397	2.517

Note: Constant unstandardized B =-1.678, Standard Error = 0.142, t=-11.805, p=0.001

Model Fit: R=0.928, R-Square=0.861, Adjusted R-Square=0.860, Standard Error of Estimate=0.33413.

ANOVA: F=797.926, p=0.001

The model fit metrics in Table 6 indicate a strong predictive relationship, with an adjusted R-squared coefficient of 0.861. This suggests that technology skills, interpersonal skills, and internship programs account for 86.1% of the variance in the self-reported employability of the sampled accounting graduates. While an R-square of 0.861 demonstrates strong explanatory power, this unusually high value must be interpreted cautiously, as it may be partially inflated by conceptual overlap among the self-reported skill constructs. The ANOVA yielded an F-statistic of 797.926 ($p < 0.001$), indicating that the overall regression model significantly predicts graduate employability.

Individually, all three independent variables exert statistically significant positive associations with accounting graduates' employability, fully supporting all three hypotheses (H1a, H1b, and H1c). Interpersonal skills had the strongest predictive contribution (unstandardized B = 0.602, standardized Beta = 0.592, t = 23.701, $p < 0.001$), followed by technology skills (unstandardized B = 0.577, standardized Beta = 0.324, t = 9.485, $p < 0.001$), and internship programs (unstandardized B = 0.215, standardized Beta = 0.128, t = 4.241, $p < 0.001$). This shows that while digital competencies and internship experience are essential to graduate marketability, graduates perceive interpersonal soft skills as the primary driver of their marketability.

5. Discussion and Implications

5.1 Hypothesis H1a: Technology Skills and Employability

The empirical validation of H1a (Beta = 0.324, t = 9.485, $p < 0.001$) confirms that developing technology skills significantly improves the employability of Malaysian accounting graduates. This result is consistent with (Schultz, 1961) and (Becker, 1964) Human Capital Theory, showing that specialized technical competencies represent a significant accumulation of productive capital. These findings align with Ahmi et al. (2016) who reported that accounting employers highly value graduates with strong technical and IT proficiencies, including basic spreadsheet applications, audit software, and modern ERP systems. Similarly, our results reinforce Hanefah and Ismail (2003) and Klibi and Oussii (2013) who found that corporate recruiters ranked IT skills among the top three desired attributes for entry-level accountants.

Furthermore, Januszewski and Buchalska-Sugajska (2022) emphasized that the rapid digitization of accounting processes requires graduates to master cloud platforms and data analysis. In an increasingly automated, AI-driven commercial environment, digital skills are critical for ensuring long-term employability and efficiency (Indeed, 2020).

5.2 Hypothesis H1b: Interpersonal Skills and Employability

The empirical confirmation of H1b (Beta = 0.592, t = 23.701, $p < 0.001$) indicates that interpersonal skills exert the strongest predictive association with Malaysian accounting graduates' employability. This outcome underscores that while technical and digital proficiencies are essential entry-level requirements, soft behavioral capabilities are the primary differentiators of graduate marketability. This aligns with (deSilva, 2015; Robles, 2012) who argued that modern corporate environments require professionals who can communicate effectively, solve conflicts, and collaborate across diverse backgrounds.

Furthermore, our findings support Bennett et al. (1999) and Merlone (2015) showing that active listening, presentation skills, and emotional intelligence are highly valued by professional services firms. As automated platforms take over routine data processing, accounting professionals are increasingly expected to assume advisory roles, requiring them to communicate financial insights clearly and persuasively to diverse stakeholders (Klibi & Oussii, 2013; Sheikh, 2009; Tan & Fawzi, 2017).

5.3 Hypothesis H1c: Internship Programs and Employability

The empirical validation of H1c (Beta = 0.128, t = 4.241, $p < 0.001$) shows that internship programs significantly improve the employability of Malaysian accounting graduates. This aligns closely with Moghaddam (2011, 2014), who argued that internships serve as invaluable bridges between academic curricula and professional work settings, helping students apply theoretical knowledge in real-world commercial environments. This also reinforces Chan et al. (2020) who showed that structured experiential learning significantly improves interns' technical problem-solving capabilities, professional responsibilities, and corporate communication skills.

Additionally, our findings support Baron-Puda (2017) who showed that internships represent highly effective recruitment channels. Through hands-on exposure, high-performing interns frequently secure full-time job offers before graduation, establishing internships as a vital stepping stone for career entry and development (Colleges & Employers, 2011).

However, this study primarily measured self-reported internship participation. The actual value derived from an internship likely depends on experiential quality factors not measured here, such as placement duration, the relevance of work assignments, and the level of mentoring received.

5.4 Theoretical and Practical Implications

This study advances Human Capital Theory (HCT) by modernizing its application within the digitized accounting landscape. Traditionally, HCT has emphasized formal degree attainment as the primary measure of human capital. Our findings demonstrate that for contemporary accounting graduates, 'capital' must be conceptualized more holistically; experiential learning (internships) and behavioural competencies (interpersonal skills) represent critical forms of capital accumulation required for employability.

In practice, the results strongly suggest that higher education institutions (HEIs) and professional bodies (such as the Malaysian Institute of Accountants, MIA) should restructure accounting curricula collaboratively. Rather than teaching software application as an isolated elective, universities should embed digital tools (such as QuickBooks, data visualization platforms, and predictive analytics) directly into core accounting courses. Furthermore, accountancy syllabi must systematically integrate structured interpersonal soft-skills training, active-listening exercises, and cross-cultural group simulations.

6. Conclusion, Limitations and Future Studies

This study has successfully addressed the research questions and met all objectives. Underpinned by Human Capital Theory, the regression model explained an exceptional 86.1% of the total variance in Malaysian accounting graduates' employability. The empirical findings supported all three hypotheses, proving that interpersonal skills, technology skills, and structured internships are vital determinants of graduate marketability.

While this study offers robust empirical findings, several limitations remain. First, the cross-sectional design, coupled with a tight research schedule, limited data collection to a two-week window. This prevents tracking graduates' employability over a longer longitudinal timeframe. Second, the study relied exclusively on quantitative survey data from closed-ended questionnaires. While this approach yields strong statistical insights, it lacks the qualitative depth that in-depth interviews or focus groups could provide on employers' specific behavioural expectations.

Third, relying on a single, self-administered questionnaire to measure both independent variables introduces the potential for common-method variance and self-report bias. Because respondents self-evaluated their own skills and employability simultaneously, the exceptionally high explanatory power (R^2) and strong correlations observed in the regression model may be partially inflated by these methodological artifacts. Finally, participants were recruited using non-probability convenience and snowball sampling via online professional and social networks. While this method is practical and necessary to reach a large number of recent graduates within the limited timeframe, it restricts the ability to strictly generalize the findings to the entire population of accounting graduates in Malaysia. The sample may inadvertently over-represent digitally active or highly networked individuals, meaning the results should be interpreted as strong associative trends rather than universal parameters.

Therefore, future research should adopt a mixed-methods design that combines large-scale surveys with qualitative interviews with corporate recruiters and accounting educators. This would provide a more comprehensive and nuanced understanding of emerging industry needs. Next, researchers should expand the study by collecting data directly from employers to compare graduates' self-reported competencies with real-world corporate performance reviews. Finally, future studies should investigate the optimal duration and scheduling of internships within accounting degrees, evaluating whether early-stage or multi-phase internship structures yield higher employability returns than single, late-stage placements.

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Appendix

Questionnaires

PART A – DEMOGRAPHIC INFORMATION:

1. Gender:
   - Male
   - Female
2. Age:
   - Between 20 and 25
   - Between 26 and 30
   - Between 31 and 35
   - Others:___
3. University you graduated from:
   - Private University
   - Public University
4. Are you:
   - Accounting Graduates
   - Non-accounting Graduates
5. Highest education:
   - Diploma
   - Bachelor
   - Master
   - PHD
6. Internship duration:
   - 3 months or less
   - More than 3 to 6 months
   - More than 6 months
7. In which sector did you complete your internship?
   - Public accounting
   - Private accounting
   - Government accounting
   - Non-profit accounting
   - Other:
8. Year of graduation:
   - Less than a year
   - Between 1 to 3 years
   - Between 4 to 6 years
   - Others:___

PART B – ACCOUNTING GRADUATES' EMPLOYABILITY

On a five-point Likert scale [1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, and 5 Strongly Agree], please indicate how much you agree or disagree with each statement below, regarding your opinion about marketability accounting graduate.

NO		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Academic credentials significantly impact my employability.	[1]	[2]	[3]	[4]	[5]
2	Interpersonal skills play a major role in my job performance and career development.	[1]	[2]	[3]	[4]	[5]
3	Technological abilities are essential for accounting professionals in today's job market.	[1]	[2]	[3]	[4]	[5]
4	Internship experience during education greatly boosts employability.	[1]	[2]	[3]	[4]	[5]
5	My educational institution adequately prepared me with the necessary skills and knowledge for my profession	[1]	[2]	[3]	[4]	[5]
6	My ability to adapt to changing labor market conditions have a significant impact on my employability.	[1]	[2]	[3]	[4]	[5]
7	Higher education played a significant role in developing my employable skills.	[1]	[2]	[3]	[4]	[5]

PART C - FACTORS INFLUENCING ACCOUNTING GRADUATES' EMPLOYABILITY

Technology Skills

Proficiency in technology significantly influences accounting graduates' employability.

- This section evaluates your proficiency and readiness in utilizing technology within the accounting domain. It includes questions on understanding the importance of predictive analytics, proficiency in using accounting software, actively seeking opportunities to learn new technologies, skills in using collaborative tools for teamwork, and receipt of formal training or certifications.
- A Likert scale of five points rating scale [1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, and 5 Strongly Agree], please indicate the degree to which you agree or disagree with each of the statements below.

NO		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I understand the importance of predictive analytics in the context of accounting practices.	[1]	[2]	[3]	[4]	[5]
2	I am proficient in using accounting software such as QuickBooks, Sage, Xero, or others, to perform basic tasks like financial analysis and reporting.	[1]	[2]	[3]	[4]	[5]
3	I am proficient in using digital tools and media for accounting-related tasks.	[1]	[2]	[3]	[4]	[5]
4	I effectively apply my IT skills to solve business problems in the accounting field.	[1]	[2]	[3]	[4]	[5]
5	I actively seek opportunities to learn and incorporate new technologies in my accounting practices.	[1]	[2]	[3]	[4]	[5]
6	I possess skills in using collaborative technology tools, such as Microsoft Teams, for teamwork in accounting.	[1]	[2]	[3]	[4]	[5]
7	I have received formal training or certifications in specific accounting software or technology tools.	[1]	[2]	[3]	[4]	[5]

Interpersonal Skills

- Strong interpersonal skills play a crucial role in enhancing accounting graduates' employability.

This section assesses your readiness in utilizing interpersonal skills in accounting. It covers building client relationships, teamwork proficiency, comfort with diversity, adaptability to dynamic environments, and self-motivation in task initiation.

- A Likert scale of five points rating scale [1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, and 5 Strongly Agree], please indicate the degree to which you agree or disagree with each of the statements below.

NO		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I am effective in building trust with clients and understanding their needs.	[1]	[2]	[3]	[4]	[5]
2	I am proactive in sharing my workload and contributing to the team's success.	[1]	[2]	[3]	[4]	[5]
3	I am comfortable working with people from different backgrounds and cultures.	[1]	[2]	[3]	[4]	[5]
4	I am willing to adjust my plans and priorities as required in a dynamic work environment.	[1]	[2]	[3]	[4]	[5]
5	I am effective in communicating complex information in a way that is clear, concise, and persuasive.	[1]	[2]	[3]	[4]	[5]
6	I can think critically and find creative solutions to unexpected challenges in my professional role.	[1]	[2]	[3]	[4]	[5]
7	I am self-motivated and willing to take initiative and ownership of tasks.	[1]	[2]	[3]	[4]	[5]

Internship Programs

Internship programs are essential for setting accounting graduates up for success in their careers.

This section explores the impact of your internship experience on your employability and career development.

A Likert scale of five points rating scale [1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, and 5 Strongly Agree], please indicate the degree to which you agree or disagree with each of the statements below.

NO		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	The internship has provided me with an advantage in securing employment after graduation.	[1]	[2]	[3]	[4]	[5]
2	The internship has contributed to my career advancement.	[1]	[2]	[3]	[4]	[5]
3	The internship improved my ability to define, analyze and solve technical problems.	[1]	[2]	[3]	[4]	[5]
4	The internship increased my understanding of professional responsibilities.	[1]	[2]	[3]	[4]	[5]
5	The internship improved my ability to effectively communicate.	[1]	[2]	[3]	[4]	[5]
6	The internship increased my confidence in my capabilities in doing my job tasks.	[1]	[2]	[3]	[4]	[5]
7	The internship increased my respect for diversify and understanding cultural differences.	[1]	[2]	[3]	[4]	[5]
8	Based on my internship, I would recommend that the students at universities obtain internship experience before seeking a job.	[1]	[2]	[3]	[4]	[5]

Author Statements

Author(s) declared the statement below:

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Use of Artificial Intelligence

The authors used Grammarly solely for language editing and grammar improvement. The authors reviewed and verified all AI-assisted revisions and take full responsibility for the final content of the manuscript.

Generative AI was used to assist in drafting portions of the manuscript (from a Master's thesis to be published as academic literature). All AI-generated text was critically reviewed, revised, and verified by the authors. The authors assume full responsibility for the accuracy and integrity of the final manuscript.

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