The Effect of Knowledge Quality on the Labour Market Performance

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Abstract

The research aimed to test the relationship between the quality of knowledge and its impact on labour market performance in Asian private educational institutions. This affects the learning outcomes on the performance of university students to keep pace with the labour market. The study used 125 educational institutions using the STATA program to analyse data for the years 2020 to 2023. The study concluded that there is a positive and important relationship between the quality of knowledge with the performance of the labour market, and there is also a positive and important relationship between knowledge and profitability in the market with the performance of the labour market. This study recommends that universities study and implement some measures that will raise the level of their students in knowledge, cognitive skills, communication skills, personal skills, and business skills.

Information

Introduction

One of the most important aspects concerned with the quality of educational outcomes is the extent of their compatibility with the requirements of the labour market, and the extent of their ability to develop and change according to the variables and correlations of the labour market. The external efficiency of any educational institution is the extent to which the outputs are compatible with the labour market, and the strength of this compatibility. It is part of the productive efficiency that is based on an internal efficiency concerned with the quality of the educational process, and an external efficiency concerned with the degree of compatibility of the outputs with the requirements of the labour market, so that this efficiency is comprehensive of the two axes of efficiency. Quantity by the number of graduates, qualitative competence by the skills of graduates and the extent to which these outputs are qualitatively compatible with the requirements of the labour market.

Knowledge is a necessity for every society that wants to make great strides on the path of progress and knowledge, so that it can keep pace with global changes. Therefore, education today is one of the challenges facing social means and the necessity of survival, and educational institutions in better preparing graduates for effective participation in the Asian and global labour market, through learning outcomes that describe what the learner is expected to know, understand, and be able to his performance after completing the educational situation, and providing learning activities that help the student to acquire these outcomes. Today, on the ground, we see a large gap between the outcomes of the educational process and what it provides, and between the labour market and the specific specifications it requires of the graduate that enable him to do his job and possess the knowledge and skills required of him capable. In order to improve student performance and achieve the goals of learning outcomes, the curricula, programs

and objectives must be achieved in graduating students whose knowledge and skills are compatible with the needs of the job market.

Bringing about change within the educational institution requires the participation of all concerned in planning and implementation to study and evaluate the learning outcomes, and follow up on the extent of achieving the targeted educational outcomes resulting from the implementation of improvement plans, the efficiency of the teaching staff, and the approaches and teaching methods they possess to improve the educational institution to improve the quality of education (Safran, 2014). In university institutions and benefiting from modern trends in evaluating performance in educational institutions and in coordination with business owners to keep pace with the labour market. Bringing about change within the educational institution requires the participation of all those concerned in planning and implementing the study of self-evaluation of learning outcomes, and supporting continuous improvement plans. And monitoring the extent to which the targeted educational outcomes resulting from the implementation of improvement plans are achieved. The concerned parties include: individuals or participating groups, and those interested in the educational process and the performance of learners in the educational institution. Achieving the targeted outcomes for learners requires that all concerned parties be familiar with and understand school problems, and have the conviction to participate. To achieve targeted development.

❖ **Previous studies**

Academic qualifications are still increasingly considered to be the need for additional value for them in order to obtain an advantage in the labour market. A study by Alina et al. (2012) entitled: "how does knowledge affect the labour market?" The study aimed to identify and describe some of the relationships that may appear between obtaining education and the labour market. The researcher focused on many aspects of education that affect the labour market and then impact education. The study included an analysis of the conditions of a European country in addition to the United States of America

and Japan. Within the framework of this study, access to education is defined in terms of participation and investments (spending on education and research,

Financial aid for students, and financing education). The labour market was evaluated using different rates: employment and unemployment, as well as components of wages and revenues. The results of the study indicated that a higher level of education represents a better opportunity to obtain a job, any job and a prestigious position in times of crises in the market. Work, as she pointed out that enrolment in education is necessarily linked to an increase in the employment rate, as some individuals enter the labour market it constitutes an alternative to continuing education.

A study by Jackson (2014) the titled: factors affecting access to jobs for bachelor's graduates "A study on Australia", the researcher found that it is important for future enrolment in higher education that higher employment outcomes are beneficial and that employers finance higher education providers and ensure their continued supply of graduates to enhance organizational effectiveness, national productivity and global competitiveness. Recent evidence indicates that the global financial crisis has softened senior labour markets. It also indicated that the interests of stakeholders regarding the career opportunities of graduates and the adequacy of the return on investment from university study are in the rapid exploration of the factors that affect the work outcomes of obtaining graduates. Using logistic regression, this study examined a model of jobs for recent Australian higher education graduates with a bachelor's degree.

❖ **Research methods**

125 education institutions in in Asia were choses as a final sample "covering the period from 2020 to 2023. This paper uses ROA to measure labour market performance the favourite for this technique is it derives from the fact that it had times of approval and advanced significantly and concluded the course of the previous period. Table 1 shows the measurements of variables.

Table 1: Measurements the variables

Name	Measurement
"Dependent Variable"	
labour market performance	Return on assets (ROA)
"Independent Variable"	
knowledge quality	(knowledge obstetrics, application Knowledge, and knowledge sharing)
Control Variables	
knowledge in market	"1 indicates knowledge in market and 0 otherwise".
Profitability from market	"Return on equity (ROE) = net Income/shareholders' equity".

❖ Results

Table 2 presents the descriptive analysis in all the variables a sample of 125 Asian education institutions.

Table 2: Descriptive Analysis

Variable	Obs	Mean	Std. Dev.	Min	Max	Skewness	Kurtosis
LMP	125	0.405	0.234	-0.276	0.150	-0.345	3.425
KQ	125	0.360	0.399	0.000	1.799	0.870	2.362
KM	125	0.352	0.320	0.000	1.298	1.626	2.562
PM	125	0.537	0.270	0.000	1.290	0.345	1.562

Note: "This table shows the descriptive statistics of the dependent, independent and control" variables of the large companies utilized in this study. The LMP= labour market performance, KQ= knowledge quality; KM= knowledge in market, PM= Profitability from market; n =125.

Table 3 shows the high significant and positive correlations between the quality of knowledge, knowledge and profitability in the market with the performance of the labour market.

Table 3: Correlation Analysis

Variables	LMP	KQ	KM	PM
LMP	1.000			
KQ	0.120	1.000		
KM	0.155	0.256**	1.000	
PM	0.132	0.364***	0.312***	1.000

Note: * "Correlation is significant at the 0.01 level (two-tailed); **Correlation is significant at the 0.05 level (two-tailed); *Correlation is significant at the 0.10 level (two-tailed)".**

It is clear from the data in Table 4 that there is a positive and important relationship between the knowledge quality and labour market performance. There is also a positive and important association among knowledge in market and Profitability from market with labour market performance.

Table 4: Regression Results

LMP	OLS		OLS-Robust	
Variables	t.stat	sig	t.stat	sig
KQ	0.60	0.050**	1.30	0.011**
KM	1.34	0.021**	0.62	0.034**
PM	0.60	0.044**	0.32	0.053*
PR	2.45	0.001***	1.77	0.062*
Constant	0.32	0.614	0.52	0.535

OLS Heteroskedasticity		0.000	
n		125	125
R2 (%)		11%	13%
Adjusted R2 (%)		40%	
F-value		1.36	1.71
p-value		0.14	0.15

❖ Conclusions and recommendations

This study indicated that there is a positive and important relationship between the knowledge quality and labour market performance. There is also a positive and important association among knowledge in market and profitability from market with labour market performance.

This study recommends that universities study and implement some measures that will raise the level of their students in knowledge, cognitive skills, communication skills, personal skills, and work skills. University programs should form advisory committees to employers, graduates, and students are represented. The university should attract board members. Teaching according to specific standards from reputable universities. The programs give great importance to field training for the various programmes. Modern developments and the need of the labour market. Work on developing curricula in accordance with reconsidering the policy of focusing on the specializations needed by the labour market. Introducing new specializations to develop educational outcomes in English and computer science to keep pace with rapid changes in the fields of technology. Proposed research and studies. After reviewing the results of the study, topics were proposed for research, creating comparative programs for the learning outcomes of programs related to the customer market. Conducting a field study for female students to determine the extent of application of the outcomes.

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