



The Effect of *Merdeka Belajar-Kampus Merdeka* (MBKM) Program on Graduates' Employment Opportunities

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Abstract. This research aims to evaluate the effect of implementing the *Merdeka Belajar-Kampus Merdeka* (MBKM) program, specifically focusing on its influence on the labor market outcomes of university graduates. It addresses the critical need to comprehensively assess whether the expanded university curriculum enabled by MBKM leads to favorable employment outcomes, while also anticipating potential challenges such as educational mismatch. The results indicated that participation in non-teacher education programs and the specific type of MBKM program did not significantly affect the likelihood of employment within six months. Additionally, the percentage of job interview invitations received out of the total number of applications sent showed a positive but not statistically significant effect on employment status. Conversely, continuing education had a significant negative impact on the likelihood of being employed within six months, suggesting that graduates who continue their studies immediately after graduation are less likely to enter the workforce during this period.

Keywords: MBKM, Curriculum, Employment.

1 Introduction

One of the goals of university curriculum reform in Indonesia is to develop strategies to enhance the employability of graduates in the job market. This strategy represents efforts by higher education institutions to produce job-ready graduates. This initiative aligns with government policies demanding that universities generate employable graduates to reduce unemployment rates. Essentially, the policy emphasizes the synchronization between the skills developed at universities and the needs of the job market [1]. The government has implemented this step by demanding that university performance be measured through the employability rate of its graduates as a primary indicator of university achievement [2], [3].

In the Indonesian context, the Ministry of Education and Culture introduced the *Merdeka Belajar and Kampus Merdeka* (MBKM) policy in 2020. The main issue of this policy is the expectation that university graduates will seamlessly adapt to the job market and be readily absorbed into the workforce upon graduation.

Internships are a common strategy in many universities to prepare their graduates for high employability in the job market. Numerous previous studies indicate that

internships have a positive impact on increasing graduates' employability [4]. However, it cannot be denied that some research suggests internships have no effect on job market success post-graduation [5], [6]. Several theories can explain the close relationship between internships and the job market, including human capital theory[7], signaling theory[8], and social networks theory[9].

Among these theories, signaling theory tends to be the most representative in explaining the logical mechanism where employers prefer hiring candidates with internship experience. The argument from signaling theory in this context is that there is asymmetric information between employers and job candidates. Therefore, when an employer decides with limited information, the internship experience listed on a resume serves as a signal of unobserved factors[10]. Work experience during university can also signal soft skills, such as the motivation to succeed [11] and responsible behavior[5]. This is empirically proven, as Nunley et al. (2016)[12] found that applicants with internship experience are 14.3% more likely to be invited to job interviews. This condition once again proves that internship experience can signal future productivity.

Hence, this study investigated the effect of student involvement during their studies by participating in the MBKM program compared to those who do not on their employment opportunities. Universitas Pendidikan Indonesia offers two distinct academic programs in its curriculum: educational and non-educational programs. This study evaluated the effects of participating in the MBKM program on these two academic programs. Some research indicated that students in business studies who participated in internships were not more employable than those in other fields [12]. However, other studies showed that when student jobs aligned with their field of study, the effect was positive and significant compared to those with no correlation with their field of study[13], [14]. Another study by Horn (2016)[15] in Hungary found that there was no significant difference in employment opportunities between students who interned and those who did not after graduation. Horn argues that companies in Hungary failed to enhance the skills of their interns, though some aspects of the internship program had positive effects.

Based on the previously discussed arguments, empirical findings reinforce that internship programs can provide a smooth transition from school to work for novice workers. However, the consequence of this argument is to validate government intervention in the design of university curricula, which must enhance internship programs to achieve performance indicators. In this context, a long-standing debate continues regarding who should provide quality labor [16], [17], [18]. With internship programs, universities are not solely seen as institutions providing quality labor, thus sharing the burden with the industrial world.

2 Methods

2.1 Data

The questionnaire used in the tracer study specifically focused on post-graduation work experiences, with about 14 core questions, each branching into sub-questions. This results in a dataset with 95 variables covering topics such as alumni demographics,

employment status, entrepreneurial activities, further education, and the alignment of their jobs with their academic disciplines. The design of the questionnaire followed the standardized framework provided by the Ministry of Education and Culture Directorate General of Higher Education, Research, and Technology (KEMENDIKBUD-DIKTI). This standardization allows for consistent and comparative analysis across different cohorts and institutions.

Our research focuses on data from the UPI Tracer Study collected between 2020 and 2023, with a total sample size of 24,411 graduates. This extensive dataset enables an examination of various aspects of graduates' career outcomes. To assess the impact of the MBKM program on graduates in the job market, the data on MBKM participants were included. This inclusion can help to understand how this program influences graduates' employability and career development.

2.2 Variables

The methodology of this study combined data from MBKM participants with the broader area of surveyed graduates. This ensures that this study captures the experiences and outcomes of MBKM participants, allowing for comparative analysis between those who participated in the program and those who did not. This study implemented rigorous data cleaning procedures to ensure data accuracy and reliability. The final dataset included 869 observations specifically from MBKM participants, divided into teacher education and non-teacher education fields. This dataset forms the basis of our analysis, enabling us to evaluate the program's effectiveness and its implications for higher education policy and practice.

To estimate the impact of the MBKM program on both education and non-education students, this study employed a logistic regression model. This model is designed to assess the relationship between participation in the MBKM program and various outcomes related to employability and job market readiness.

The dependent variable used in this study was the working status variable, which indicated whether graduates were able to secure employment within six months of graduation (dummy variable). This variable was chosen because it directly reflects the performance of graduates in the labor market after participating in the MBKM program. The independent variables include the field of study, gender, employment sector, type of MBKM program participated in, and the percentage of job interview invitations received out of the total number of applications sent.

3 Results and Discussions

The logistic regression analysis was conducted to examine the factors influencing graduates' working status within six months of graduation. The dependent variable in this study was a binary indicator of whether the graduate was employed (working/not working). Table 1 shows the results that being in a non-teacher education program does not significantly affect the likelihood of employment within six months (coefficient = -

0.496, $z = -0.75$). Similarly, the type of MBKM program, specifically *Kampus Mengajar* (KAMJAR), shows no significant impact on employment status.

Table 1. Logistic Regression Results

Dep Var: <i>Graduates Working Status</i>	Coefficient	Marginal Effects	std. err.	z
dummy if male	0.458	0.030	0.038	0.80
competencies:English	0.335	0.022	0.018	1.24
competencies:Information Technology	0.224	0.015	0.024	0.62
competencies:Communication	-0.362	-0.024	0.025	-0.96
study duration	-0.153	-0.010	0.048	-0.21
work in public/government institution	0.456	0.030	0.042	0.72
work in non-government organization	-0.516	-0.034	0.067	-0.51
work as entrepreneur	-2.150	-0.143	0.042	-3.40
work in others institution	0.155	0.010	0.035	0.29
work in international organization	-0.935	-0.062	0.069	-0.90
dummy if MBKM type is KAMJAR	0.278	0.018	0.037	0.50
percentage firm interviewing	0.489	0.033	0.027	1.22
needed higher degree at work requirement	-1.553	-0.103	0.032	-3.21
needed lower degree at work requirement	-0.782	-0.052	0.059	-0.87
dummy if continuing education	-4.481	-0.298	0.028	-10.48
rigor of study program	-3.064	-0.204	0.115	-1.77
dummy if non-teacher education program	-0.496	-0.033	0.044	-0.75

The percentage of job interview invitations received out of the total number of applications sent (percentage firm interviewing) shows a positive but not statistically significant effect on employment status (coefficient = 0.489, $z = 1.22$). This suggests that while there is a positive relationship between the number of interview invitations and the likelihood of employment, the effect is not strong enough to be considered significant in this model. In contrast, continuing education has a significant negative impact on the likelihood of being employed within six months. This indicates that graduates who continue their education immediately after graduation are much less likely to be employed within six months compared to those who do not continue their education. This suggests that while there may be a trend towards lower employability for graduates from more rigorous programs, the effect is not strong enough to be statistically significant in this analysis.

In summary, the logistic regression analysis reveals that continuing education significantly reduces the likelihood of early employment. However, other factors, including the field of study, type of MBKM program, and the percentage of interview invitations, do not show a significant impact on graduates' employment status within six months of graduation. These findings are consistent with the results of [5] and [6] but contradict those reported in [4].

4. Conclusion

The MBKM program is an optimistic policy implemented by the university in collaboration with the job market. The main expectation of this program is to increase the absorption of graduates in the job market due to the experience gained through internship activities. However, the study found that these internship activities were not responded to by the job market. This is shown by the insignificant effect of the MBKM program on the employability of its graduates. This is an important note for all stakeholders to re-evaluate the program.

Acknowledgment

The authors acknowledge the Institute of Research and Community Service (*Lembaga Penelitian dan Pengabdian kepada Masyarakat*) (LPPM) Universitas Pendidikan Indonesia for funding this research.

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