ASIAN PEOPLE JOURNAL 2025, VOL 8(2), 221-243
e-ISSN: 2600-8971
http://dx.doi.org/10.37231/apj.2025.8.2.863
https://journal.unisza.edu.my/apj

PENERBIT
Universiti Sultan Zainal Abidin

ASIAN PEOPLE JOURNAL
Multidiciplinary Social Science Journal
APJ

YOUTH EDUCATIONAL DROPOUT: ISSUES AND CONTRIBUTING FACTORS IN KUALA TERENGGANU, MALAYSIA

Mohd Syaiful Nizam Abu Hassan[1*], Ain Munirah Khairul Anwar[1]

[1]Faculty of Applied Social Sciences, Universiti Sultan Zainal Abidin, 21300 Kuala Nerus, Malaysia

*Corresponding Author Email: *nizamhassan@unisza.edu.my*

Received: 14 October 2025 • Accepted: 21 October 2025 • Published: 31 October 2025

Abstract

Youth dropout from formal education is a persistent socio-economic challenge in Malaysia, particularly in Kuala Terengganu. This study examines the issues and factors leading to youth disengagement from schooling, covering both voluntary and forced dropouts. Adopting a qualitative case study approach, the research targeted NEET (Not in Education, Employment, or Training) youth aged 15–29 through purposive sampling. Data were collected via interviews, focus group discussions, and document analysis, and were thematically analysed using NVivo 12 software. Findings indicate that financial hardship, family responsibilities, poor academic performance, and lack of transportation are major drivers of dropout, while a lack of interest in schooling remains a dominant underlying factor. Rural youth are disproportionately affected due to limited access to quality education, vocational training, and sustainable employment pathways. The study highlights the importance of expanding Technical and Vocational Education and Training (TVET) programmes, integrating Open Educational Resources (OER), and strengthening early intervention systems. A holistic, multi-stakeholder approach involving government, educational institutions, and community actors is essential to reduce dropout rates and enhance youth employability.

Keywords: Youth dropout; NEET; Kuala Terengganu; TVET; Socio-economic

Cite as: Abu Hassan, M.S.N., & Khairul Anwar, A.M. (2025). Youth Drop Out in Education: Issues and Factors of Youth Drop Out in Kuala Terengganu, Malaysia. *Asian People Journal*, *8*(2), 221-243.

INTRODUCTION

Youth represent the largest demographic in a nation and have the potential to contribute significantly to the country's development. They are also the largest community group capable of making a substantial impact on any comprehensive changes undertaken (National Youth and Sports Department, 2018). According to the Ministry of

Youth and Sports (MoYS), Youth in Malaysia are defined as individuals aged between 15 to 40 years old. However, the revised definition of youth age limit in Act 668 in 2019 changed the youth age limit from 40 to 30 years (Fadzil, 2020). Malaysia is a country that defines the youth age limit at the highest level when compared to other nations. The youth demographic is the determiner of the future of society and the nation. Therefore, youths need to equip themselves with sufficient knowledge to preserve religion, race, and country. Without the required knowledge and skills, it becomes a challenge for young people to navigate the difficulties of future life for the progress of the nation. In the context of Kuala Terengganu, youth form a substantial share of the local population.

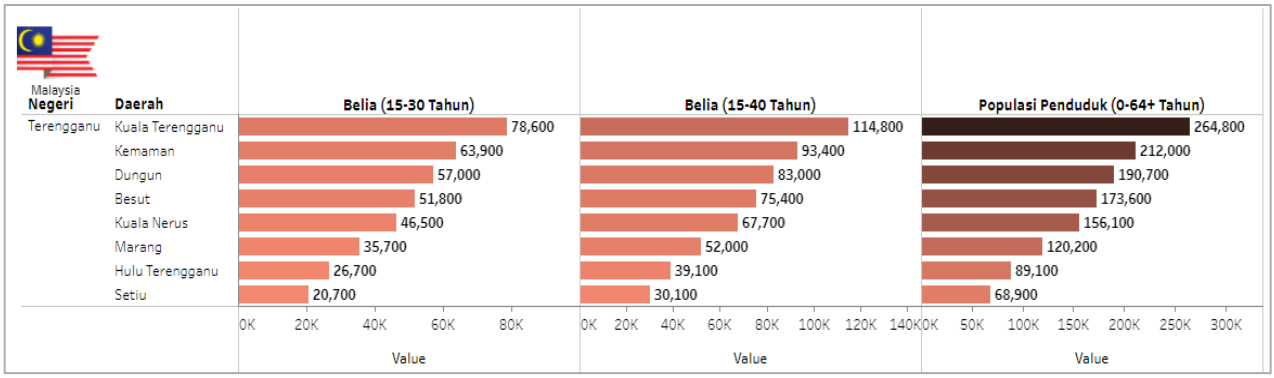

Figure 1: Statistics of Population & Youth Population in Kuala Terengganu for the Years 2015–2022

Source: Department of Statistics Malaysia [DOSM] by Data Management Unit, Institute for Youth Research Malaysia [IYRES].

As illustrated in Figure 1, the youth population in Kuala Terengganu remained consistently substantial between 2015 and 2022, underscoring the demographic significance and the importance of targeted youth development strategies in the district. Youth who are not categorized as part of the working group, excluded from education and training (NEET - Not in Education, Employment, and Training), need special attention to continue playing their distinct role in the nation's economy. NEET youths are an inactive group and contribute to the decline in the labor market (Rusmawati Said, 2016). Based on statistics released by the Department of Statistics Malaysia (2020), the rate of youths aged 15 to 24 in the NEET category increased each year, reaching 11.7 percent in 2016, 11.8 percent in 2017, and 12.5 percent in 2018. More recent data from the World Bank records Malaysia's overall NEET rate at 10.22% in 2022, offering a comprehensive national overview.

Globally, the International Labour Organization (ILO) reports that 20.4% of youth were classified as NEET in 2023, with young women disproportionately affected—28.1% compared to 13.1% among young men. The total youth population in 2018 was estimated at 15.1 million, accounting for 46.6 percent of the entire population of Malaysia. This figure is projected to increase toward 2030, with youth becoming the majority demographic in the country. Data from the Student Database Application System (APDM) spanning from 2019 to 2023 revealed that major factors contributing to school dropouts were lack of enthusiasm for education, job opportunities, marital status, familial issues, and difficulties with transportation. At a recent National Social Council meeting, it was reported that in 2023 alone, there were 14,506 instances of students discontinuing their education. These dropouts were associated with the necessity to contribute to family income through work, economic hardship, and a general lack of interest in academic pursuits (DOSM, 2023). Complementing this, Malaysia's national secondary school dropout rate declined from 1.14% in 2019 to 0.83% in 2023, while Technical and Vocational Education and Training (TVET) enrolment rose from 4.60% to 10.51% during the same period.

Youths are the strength of the nation and should be educated with education and training strategies that align with their talents and potential. However, youths often prefer seeking employment over continuing their studies. Academic failure should not be viewed as a permanent failure. Aligned with the philosophy of Malaysia's national education policy, education is an ongoing effort towards developing the individual's potential comprehensively. Acquiring and mastering knowledge by youths is a determinant of success and can contribute to society and the nation.

Therefore, the NEET youth category deserves assistance and attention in the continuous economic recovery process. Data from 2022 shows that Malaysia had approximately 5.92 million graduates, of whom 85.4% were active in the labour force. However, about 61.2% of youth graduates aged 24 and below was underemployed accepting employment below their qualification level even though this marked improvement from 80.6% in 2021. The effectiveness of the education system depends on the ability to empower youths, ensuring they are not left marginalized from learning opportunities. By delving into these issues, this article provides insights into youth dropout in education and stimulates awareness of the importance of sustainable youth development.

LITERATURE REVIEW

Neet Youth (Not in Employment, Education, Or Training)

NEET youth are recognized as a group of young individuals who are excluded from employment, education, and training. Studies related to the NEET issue were initially introduced in Britain and later expanded to other developed countries. For instance, Elder (2015) conducted a study on NEET in 41 countries. Studies on NEET have also been conducted in Japan, South Korea, Taiwan, and several other countries. Although research on the issue of NEET youth in Malaysia is still limited, it has gained attention from the government, recognizing that the NEET issue is a national problem and a social concern for youth that will have a significant negative impact on the country's economic growth and prosperity.

The International Labour Organization (ILO) defines NEET, according to their 2013 report, as the percentage of the population aged 15 to 30 years who are not working and not engaged in education or training. According to various past studies on NEET youth in Britain, it encompasses youth aged between 16 to 24 years. Characteristics of the NEET group in Britain include unemployment and economic inactivity in seeking employment, leading to difficulties in finding jobs. Additionally, factors such as being expelled or suspended from school, having children of their own, and having imperfections or disabilities contribute to the NEET phenomenon.

Moreover, the NEET group in Japan consists of individuals aged between 15 to 34 years. Findings from Rahman K. M.'s study (2006) state that the NEET group is characterized by attitudes and characters incapable of adapting to certain situations and lacking communication skills. In China, young individuals rely more on their families and choose to live with their parents rather than seeking permanent employment, attending school, or undergoing special training. They also lack the confidence to seek employment due to their educational status. Furthermore, in Scotland, the NEET group refers to those aged 16 to 19 years (Survey, Office for National Statistics, 2013), while in the United Kingdom, NEET classification includes those aged 16 to 24 years (Survey, Office for National Statistics, 2015).

As stated by Elder (2015), the concept of NEET is rather complex, and he suggests estimating those excluded from education as individuals aged 15–19 years who are not working or not engaged in education or training (inactive non-students). Based on NEET studies in Brazil and Indonesia, Kovrova (2013) summarized that the NEET issue is crucial for both countries, where in 2010, NEET constituted 23 percent of youth in Brazil and 28 percent of youth in Indonesia. She argued that generally, female youth are less at risk of dropping out of education and are more successful in entering the workforce. However, more job opportunities that cater to the needs of young individuals, especially those with health issues and disabilities, need to be introduced to reduce the NEET problem (Johann Bacher, 2014).

Global Neet Trends

Recent global statistics from the ILO (2023) indicate that 20.4% of the world's youth were classified as NEET, with female youth significantly more affected (28.1%) compared to male youth (13.1%).

Figure 1.2 presents NEET rates globally and across subregions, disaggregated by sex for the years 2005 and 2019. The data highlight persistent gender disparities, with female NEET rates consistently higher across all subregions. This trend aligns with Elder's (2015) findings that female youth often face greater structural barriers to labour market entry. Figure 2 Youth NEET rates, global and by subregion and sex, 2005 and 2019. The chart illustrates NEET percentages by subregion and gender, highlighting disparities between male and female youth. (Source: ILO, 2020). While global NEET rates show a gradual decline from 2005 to 2019, Malaysia's NEET rate, though lower than the global average, demonstrates similar gender gaps. Targeted interventions remain necessary, particularly for young women in rural areas.

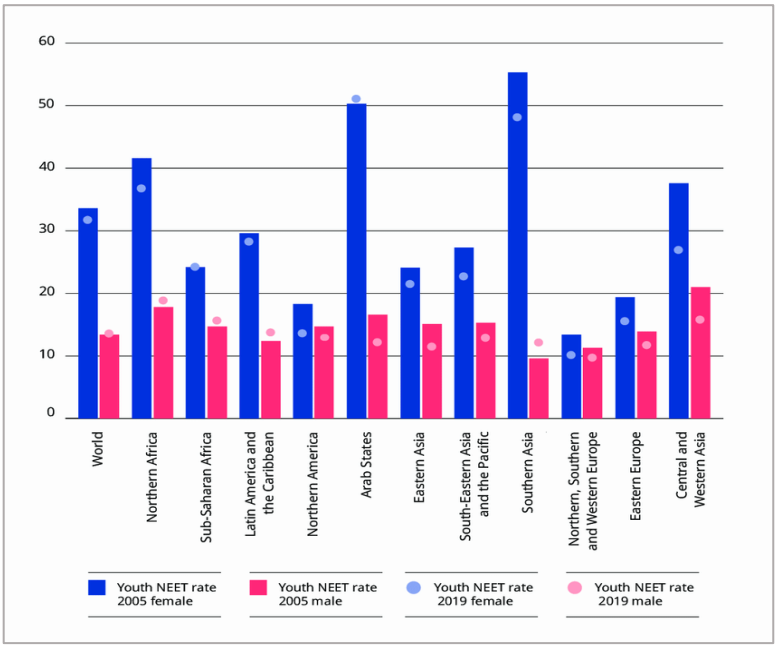

Figure 2: Youth NEET rates, global and by subregion and sex, 2005 and 2019

Neet In Malaysia

The results of the Department of Statistics Malaysia's survey in 2019 found that 5.8 percent of the 32 million population in the country had never attended school or had no formal education at all, raising concerns that they may become a marginalized group, subsequently affecting the workforce supply in the country. Therefore, a

comprehensive system needs to be formulated to assist this marginalized youth group with a dynamic approach and effort in providing more dynamic education and training.

In Malaysia, the NEET rate has generally trended downward since the pandemic peak of 13.6% in 2020, reaching 10.22% in 2022 (World Bank, 2023), one of the lowest since 2016. However, rural youth and those without tertiary education remain disproportionately represented in the NEET category (DOSM, 2023). The 12th Malaysia Plan (RMK-12) includes the Youth Employment and Employability Enhancement Strategy, which focuses on NEET reduction through expanded TVET enrolment, digital economy training, and regional job-matching initiatives (Economic Planning Unit, 2022).

Recent data indicate that NEET remains a pressing concern globally. The ILO (2023) reported that 20.4% of the world's youth are NEET, with young women more than twice as likely as young men to fall into this category (28.1% vs. 13.1%) (ILO, 2023; HCAMag, 2023). In Malaysia, the NEET rate stood at 10.22% in 2022 according to the World Bank, reflecting gradual improvement compared to earlier years (World Bank, 2023). However, the Department of Statistics Malaysia (2023) notes that NEET prevalence is significantly higher among youth without tertiary education, and rural youth remain disproportionately affected due to limited job opportunities and training access. Table 1 summarises NEET rate trends for Malaysia compared to global rates between 2018 and 2023. It illustrates the pandemic's impact in 2020, subsequent recovery, and the persistent gender gap globally.

Table 1: NEET rates in Malaysia and Global comparison, 2018–2023.

Year	Malaysia NEET Rate (%)	Global NEET Rate (%)	Notes / Key Observations	Sources
2018	12.5	21.8	Malaysia's NEET higher than 2016–2017; global female NEET almost double male	DOSM (2020); ILO (2019)
2019	11.8	21.7	Slight decrease in Malaysia; steady global rate	DOSM (2020); ILO (2020)
2020	13.6	23.3	Increase due to COVID-19 impact; global rate rises	DOSM (2021); ILO (2021)
2021	10.8	23.0	Malaysia shows recovery post-pandemic	DOSM (2022); ILO (2022)
2022	10.22	20.4	Malaysia's lowest since 2016; global rate shows modest drop	World Bank (2023); ILO (2023)
2023	~10.1*	20.4	Malaysia stable; female NEET rate globally 28.1% vs male 13.1%	DOSM (2023)*; ILO (2023)

*2023 Malaysia NEET rate estimated from DOSM youth labour force data.

Sources: DOSM (2018–2023); World Bank (2023); ILO (2023)

The data in Table 1 shows that Malaysia's NEET rate has consistently remained below the global average throughout 2018–2023. However, the spike in 2020 to 13.6% reflects the severe impact of COVID-19 on youth employment and education access. The subsequent decline to approximately 10.1%

in 2023 suggests gradual recovery, although the persistent gender disparity in global NEET rates (28.1% for women versus 13.1% for men) signals that similar trends may exist within Malaysia's rural and low-education youth populations. These findings underscore the need for targeted interventions, especially in regions with limited access to training and job opportunities. Figure 3 illustrates the trends in NEET rates for Malaysia and the global average between 2018 and 2023. The chart shows Malaysia's rates consistently below the global level, with a notable spike in 2020 during the pandemic, followed by a steady recovery.

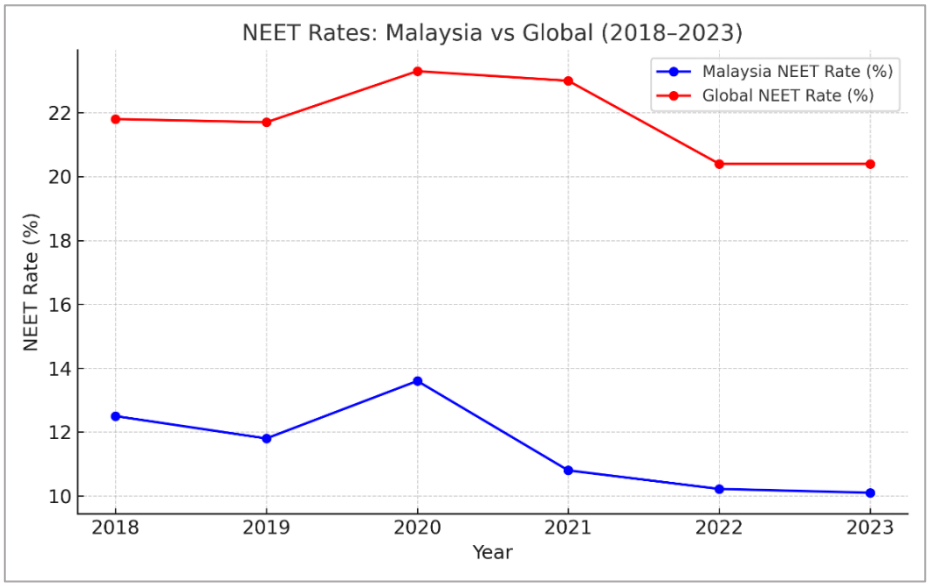

Figure 3: NEET rates: Malaysia vs Global, 2018–2023

The trends illustrated in Figure 3 indicate that Malaysia's NEET rate has consistently remained well below the global average during the period 2018–2023. The most notable deviation occurred in 2020, where Malaysia experienced a sharp increase from 11.8% in 2019 to 13.6% in 2020, mirroring the global surge from 21.7% to 23.3% due to the COVID-19 pandemic. This disruption affected youth employment, education access, and training participation across all sectors. Following the peak in 2020, Malaysia's NEET rate showed a marked recovery, declining to around 10.1% by 2023, a trend also reflected globally though at higher baseline levels. Despite this improvement, the persistence of higher NEET rates among rural youth and those without tertiary education suggests that structural challenges remain. Targeted policy interventions focusing on vocational training, digital skills development, and rural job creation remain essential to sustaining the downward trend.

Issue of Youth Education and Training

Education and training are essential components in preparing young people to meet the demands of the labour market and to participate effectively in economic and social life. Education serves as a platform for developing knowledge, skills, and attitudes, while training provides specialised competencies that match industry requirements. These elements are key to reducing the likelihood of young individuals falling into the NEET category. However, despite substantial progress in global and national education initiatives, gaps remain between educational attainment and employability. UNESCO (2023) reports that more than 244 million children and youth worldwide are out of school, while millions more fail to acquire essential literacy, numeracy, and digital skills. The

World Economic Forum (2024) further highlights that over 40% of employers globally face difficulties in finding workers with the necessary skills underscoring the misalignment between education systems and labour market needs.

Around the world, young people encounter systemic obstacles in accessing quality education and training, especially in developing regions. These challenges include limited infrastructure, inadequate funding, socio-economic barriers, and curricula that do not reflect modern industry demands. The situation is particularly critical in Sub-Saharan Africa and South Asia, where out-of-school youth rates remain the highest (UNESCO, 2023). Global educational exclusion remains acute: Figure 4 visualizes the regional distribution of out-of-school children and youth in 2022, with Sub-Saharan Africa and Central/Southern Asia accounting for the largest shares.

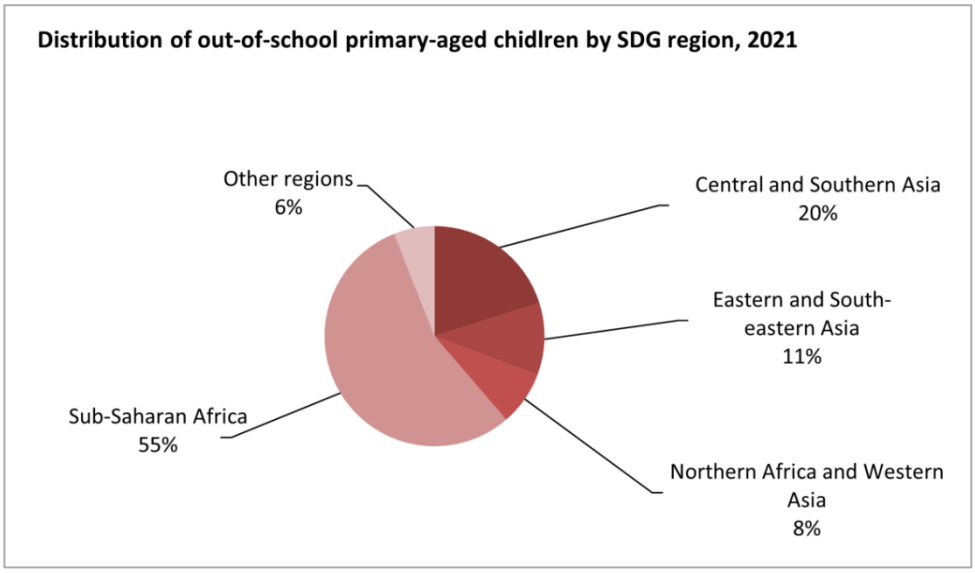

Figure 4: Out-of-school children and youth by region
Source: UNESCO Global Education Monitoring Report (GEM) (2022)

The pie chart Figure 4 highlights that Sub-Saharan Africa hosts approximately 98 million of the out-of-school population, followed by Central and Southern Asia with 85 million. Such disparities underscore deeply entrenched structural barriers to education across developing regions. In Malaysia, the education system has achieved near-universal access at the primary and lower secondary levels, but the transition to higher education or vocational training still poses challenges. According to the Department of Statistics Malaysia (DOSM, 2023), secondary school enrolment exceeds 95%, yet dropout rates persist, particularly in rural and indigenous communities. The Ministry of Education (2023) identified several main factors contributing to dropout and disengagement:

1. Socio-economic barriers – poverty and financial constraints that push students to work early.
2. Geographical challenges – rural or remote locations with limited educational infrastructure.
3. Mismatch between curriculum and industry needs – producing graduates with inadequate job-relevant skills.
4. Low academic motivation – particularly among students with poor performance or negative schooling experiences.

Table 2: Dropout rates in selected Malaysian states (2018–2022)

State	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)
Sabah	3.8	3.6	4.5	4.2	4.0
Sarawak	3.2	3.1	3.9	3.5	3.3
Kelantan	2.7	2.6	3.2	3.0	2.9
Terengganu	2.4	2.3	2.9	2.7	2.6
National Average	**2.1**	**2.0**	**2.7**	**2.5**	**2.4**

Source: Ministry of Education Malaysia (2023)

The data in Table 2 indicates that dropout rates in Malaysia remain relatively low nationally but are higher in states such as Sabah and Sarawak. The increase in 2020 aligns with COVID-19 disruptions to schooling, with gradual improvement observed in 2021–2022.

Training and Skills Development

Technical and Vocational Education and Training (TVET) plays a crucial role in bridging the gap between formal education and employment. Malaysia's 12th Malaysia Plan (RMK-12) highlights TVET as a strategic priority, focusing on:

1. Integration of digital competencies.
2. Industry partnerships to ensure curriculum relevance.
3. Expansion of rural training centres to enhance accessibility.

However, TVET enrolment remains comparatively low in Malaysia. The World Bank (2023) notes that, despite gradual growth, societal perceptions of TVET as less prestigious than academic pathways deter participation, especially among high-achieving students. Figure 5 shows TVET enrolment rates for Malaysia compared with regional peers Thailand and Indonesia from 2018 to 2023. The data indicate that Malaysia's enrolment remains considerably below that of neighbouring countries, despite modest improvements over six years.

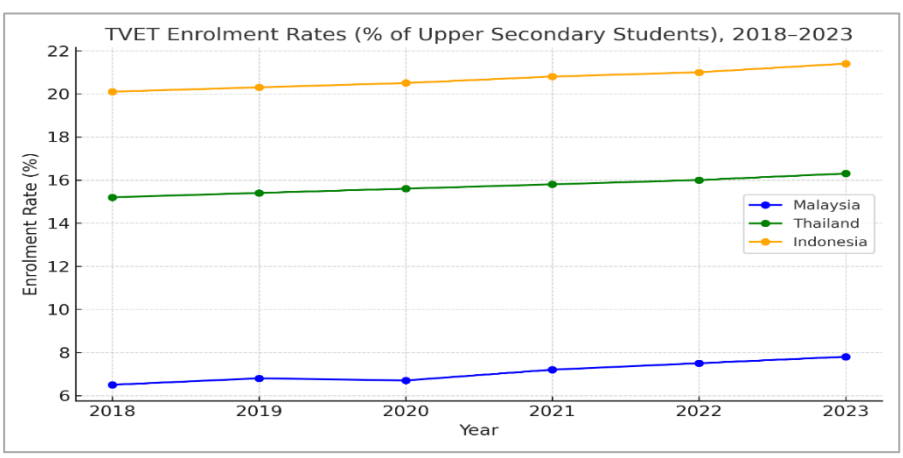

Figure 5: TVET enrolment rates (% of Upper Secondary Students), 2018–2023
Sources: UNESCO-UNEVOC (2023), World Bank (2023)

As shown in Figure 5 Malaysia's TVET enrolment increased from 6.5% in 2018 to 7.8% in 2023, yet remains far below Thailand (16.3%) and Indonesia (21.4%). This disparity reflects both cultural perceptions and limited curriculum-industry alignment. To close the skills gap and lower NEET rates, Malaysia must improve TVET visibility, integrate it with high-demand sectors, and enhance rural accessibility.

Challenges in Malaysian Education

Student dropout remains a persistent challenge in the Malaysian education system, particularly at the secondary level. While overall enrolment rates are high, a subset of students leave school before completion due to socio-economic and personal circumstances. A survey conducted by Wan Jan (2013) explored the reasons perceived by parents for their child's school dropout. The findings revealed that: As shown in Figure 6, the most prevalent reason for dropout was students' lack of interest in school (72%), followed by financial difficulties (23%) and poor academic performance (23%). While this dataset is from 2013, similar trends persist.

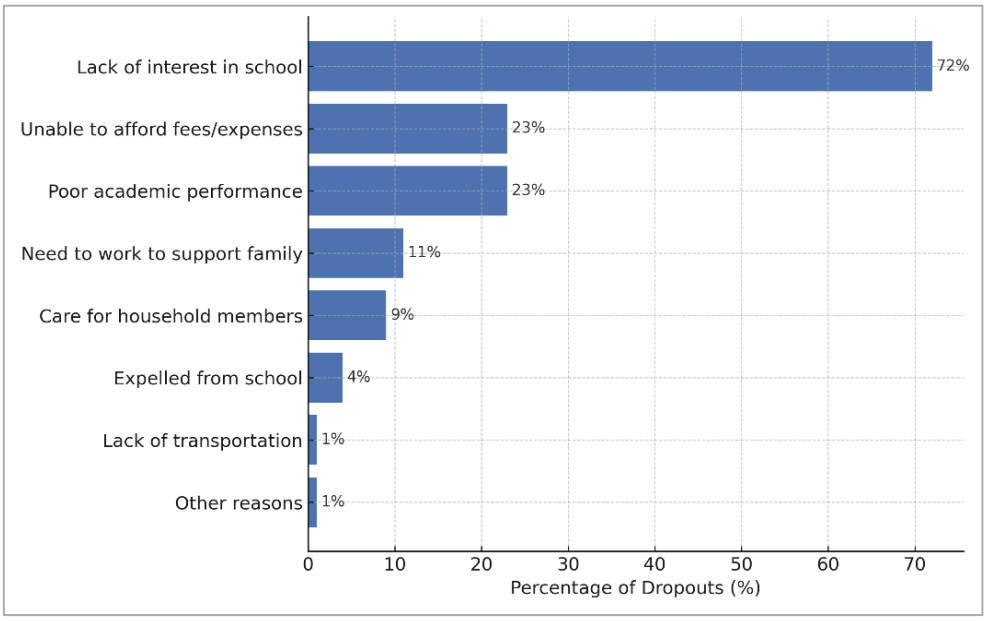

Figure 6: Factors contributing to students dropping out of school according to parents

The Ministry of Education Malaysia (MOE, 2023) reports that financial hardship, low academic engagement, and socio-cultural factors remain key causes of school dropout, especially in rural and indigenous communities. Recent statistics from MOE (2023) and Department of Statistics Malaysia (DOSM, 2024) indicate that in 2022, dropout rates stood at 2.4% nationally, but were notably higher in rural areas (3.5%) compared to urban areas (1.5%). The COVID-19 pandemic exacerbated this gap in 2020, but recovery has been observed in subsequent years.

Addressing Dropouts Through Open Educational Resources (OER)

Open Educational Resources (OER) present a potential solution to reducing dropout rates by offering free, accessible, and flexible learning opportunities. Defined by UNESCO (2023) as "teaching, learning and research materials in any medium that reside in the public domain or have been released under an open licence," OER can help overcome barriers such as cost, location, and schedule. Wan Jan's (2013) study also found that dropouts who

enter the workforce often remain in unskilled jobs, perpetuating the cycle of poverty. Parents viewed Technical and Vocational Education and Training (TVET) as a viable alternative for skill development a perspective supported by the World Bank (2023), which emphasises the role of TVET in improving employability among at-risk youth. Considering that 44% of dropouts in Figure 1.6 fall into the "force-dropout" category due to financial, family, or transport-related causes there is strong potential for re-engagement if alternative pathways are offered. While comprehensive national data on the willingness of these students to return is lacking, initiatives expanding OER access could improve their chances of re-entering formal or vocational education.

METHODOLOGY

This study adopts a qualitative case study approach to explore the NEET phenomenon among youth in Kuala Terengganu, particularly those who have dropped out of education. The case study method, as outlined by Marican (2005) and Yin (2009), allows for in-depth understanding of complex social realities within their real-life context. Participants were selected using purposive sampling, focusing on youth aged 15–29 who have been NEET for at least six months and reside in Kuala Terengganu. The sample comprised 15 individual interviews and two focus group discussions involving community leaders and local government representatives, supplemented with document analysis from relevant reports, journal articles, and official statistics. Data collection and analysis procedures are summarised in Table 3. All interviews and FGDs were transcribed verbatim and analysed using QSR NVivo 12 to code responses, identify themes, and model key issues. Triangulation between interviews, FGDs, and document analysis enhanced the validity of findings.

Table 3: Data collection procedures

No.	Method	Usage & Description
1	Interview	Gather demographic and socio-economic data, educational background, and perceptions from NEET youth and relevant agencies.
2	Focus Group Discussion	Discuss NEET-related experiences and public opinion with JPKK leaders.
3	Document Analysis	Review books, papers, journal articles, and official reports on NEET and dropout trends.
4	Data Analysis	Transcription, coding, and theme generation using QSR NVivo 12.

Table 3 summarises the data collection procedures used in this study, which combine interviews, focus group discussions (FGDs), and document analysis to obtain both primary and secondary information. These methods provided comprehensive insights into the socio-economic background, educational experiences, and perceptions of NEET youth in Kuala Terengganu. All qualitative data from interviews and FGDs were transcribed verbatim, coded, and analysed using QSR NVivo 12, enabling systematic theme development and modelling. Triangulation between the three data sources ensured the validity and reliability of the findings.

RESULT AND DISCUSSION

Profile of respondents

To achieve the research objectives, the selection of appropriate informants is a crucial factor in this study; 10 informants were chosen to gather research data. The chosen informants represent the NEET youth, specifically those not employed or engaged in any educational or training programs. However, in this study, the researcher focuses on youths, particularly those marginalized in education, aged between 15 and 30 years in the Kuala Terengganu district. The purpose of selecting youths from this area is to assess or understand the specific challenges they face in the local context. Moreover, concentrating on this specific region enables the researcher to gain deeper insights into the impact of the NEET issue on youth development in that community.

Table 4 and Figure 7 outlines the informants for the Study on Youths Disengaged in Education in the Kuala Terengganu (KT) District, along with pertinent information such as age, educational background, and their experiences in confronting educational challenges. All informants are given the code IR1, KT; IR2, KT; IR3, KT; IR4, KT; IR5, KT; IR6, KT; IR7, KT; IR8, KT; IR9, KT; and IR10, KT.

Table 4: Participants of youth drop out in education at Kuala Terengganu (KT)

Bil.	Informant	Age	Status	Employment Status	Education Level	Skill and Training
1	*IR1, KT*	32	Married	Unemployed	SPM	Giat Mara
2	*IR2, KT*	23	Single	Unemployed	Bachelor's Degree	Some
3	*IR3, KT*	23	Single	Unemployed	SPM	Some
4	*IR4, KT*	23	Single	Unemployed	SPM	None
5	*IR5, KT*	20	Single	Unemployed	SPM	None
6	*IR6, KT*	21	Single	Unemployed	SPM	Giat Mara
7	*IR7, KT*	27	Single	Unemployed	SPM	None
8	*IR8, KT*	20	Single	Unemployed	SPM	None
9	*IR9, KT*	26	Single	Businessman	SPM	None
10	*IR10, KT*	22	Married	Business Woman	SPM	None

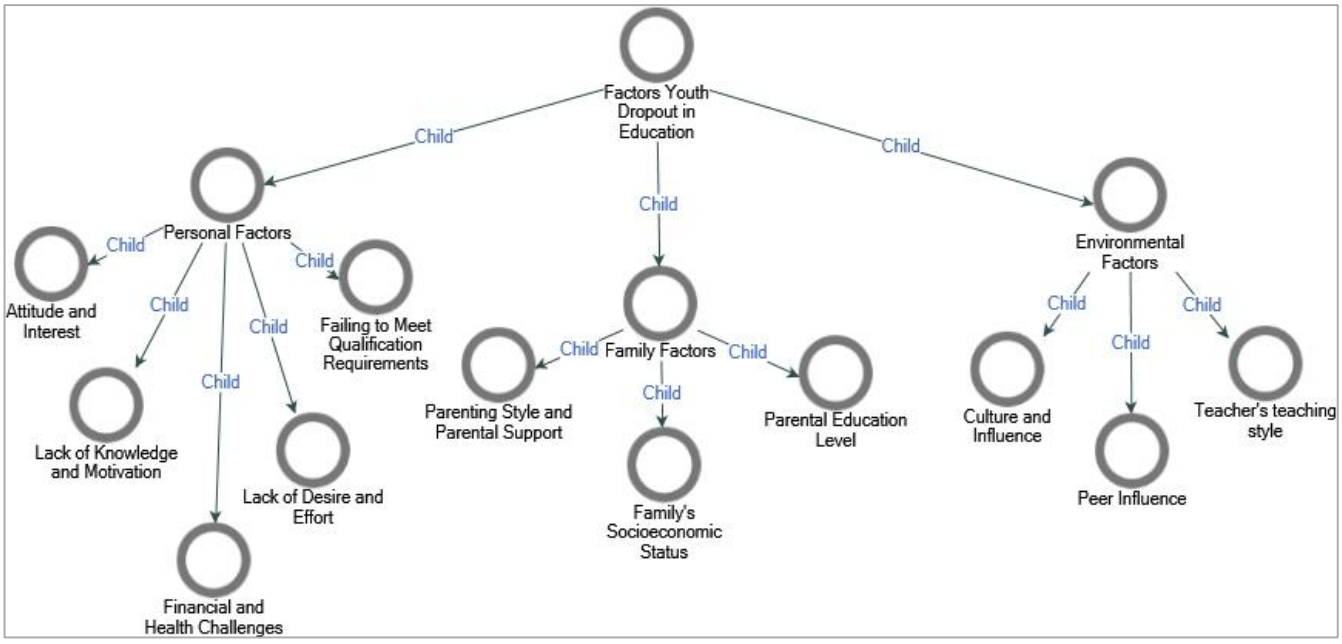

Figure 7: Factors affect to youth dropout in education

a) Personal Factors

Attitude and Interest

The study findings indicate that the primary factors contributing to youth dropout in education or training are related to individual factors, particularly their attitudes and interests. The youth's attitude towards learning plays a crucial role in determining whether they will continue to engage in education or choose to discontinue (Figure 8).

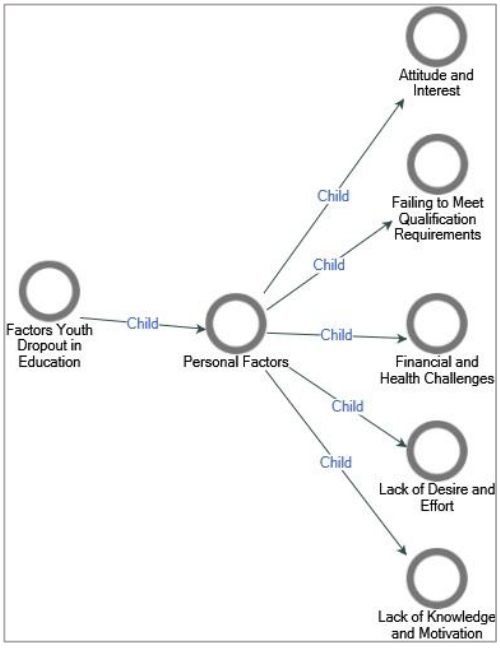

Figure 8: Personal factors that affect to youth dropout in education

Those with a positive attitude towards learning and a sincere commitment to education tend to achieve higher levels of excellence. Conversely, a negative attitude or lack of interest in a particular field can lead to reluctance to continue learning and potentially result in dropout. Furthermore, the youth's interest in specific subjects also has a significant impact on their tendency to engage in educational activities. Those with a high interest in a particular field tend to demonstrate greater dedication to participating in relevant educational or training programs. As stated by Informants IR1, KT, IR6, KT, IR8, KT and IR9, KT during the interviews:

> *"…the factor that caused me not to continue my studies or training is because of a lack of interest…"*
>
> (IR1, KT)

> *"Yes, for me, a lack of interest is the reason I did not pursue further studies. When we lack interest, there is less motivation within ourselves to continue our education as well. Even though I have friends who continued their studies to the ivory tower."*
>
> (IR6, KT)

> *"Yes, I am also not interested in studying and do not want to continue my education."*
>
> (IR8, KT)

> *"I absolutely have no interest in studies. After completing SPM, I started working."*
>
> (IR9, KT)

The interviews clearly indicate that a lack of interest is a key factor influencing their decision not to pursue further education or training. Informant IR1, KT, highlighted that the loss of interest is the primary factor driving the decision to discontinue studies. Comments from IR6, KT, emphasize that a lack of interest undermines the spirit and motivation of individuals to continue learning, even though there are peers continuing their education. IR8, KT, acknowledged a lack of interest in studying as a direct cause of his unwillingness to continue education. Meanwhile, IR9, KT, emphasized that the absence of interest led to the termination of his studies, opting to work after completing SPM. Overall, this interview illustrates how a less positive attitude and interest can be a major obstacle in achieving the educational goals of young individuals.

Lack of Knowledge and Motivation

Individual factors such as lack of knowledge and motivation often serve as primary causes for youth dropout rates in education. Inadequate understanding of the importance of education and a lack of motivation to achieve set educational goals can result in youth being marginalized from the learning process. As elucidated by IR6, KT, during the interview:

> *"Yes, the lack of motivation within myself greatly influenced my decision to not continue my studies after completing the Malaysian Certificate of Education (SPM). I once enrolled in Giat Mara in the automotive field, but due to a lack of motivation, I stopped halfway through my studies."*
>
> (IR6, KT)

The statement from informant IR6, KT, in the interview acknowledges that the lack of motivation significantly influenced his decision not to pursue further studies after completing the Malaysian Certificate of

Education (SPM). His personal experience provided an example that the lack of motivation and being forced to stop halfway through his studies at Giat Mara in the automotive field. The lack of drive and enthusiasm made him unable to persevere and complete his studies despite having the opportunity to continue his education.

Financial and Health Challenges

Youth facing financial challenges often encounter difficulties in maintaining their commitment to education. Transportation costs, school supplies, and daily expenses can become significant burdens for families with limited financial means. Without sufficient financial support, youth may be forced to seek part-time employment or sacrifice study time to support their family's livelihood. As a result, they may miss classes or experience emotional stress leading to a decline in academic performance. Additionally, the health of youth plays a crucial role in their educational attainment. Health issues such as chronic illnesses, mental disorders, or fatigue can disrupt the learning process. Youth facing health problems may require continuous medical attention or may have to deal with the side effects of medications that affect their ability to attend school. The need to care for themselves or sick family members can also distract them from their educational focus. In the interview findings from IR3, KT, IR4, KT, IR7, KT, and IR10, KT stated:

> *"Okay…um, the reason I couldn't continue my studies is because I faced some difficulties in supporting my daily life. So, I couldn't continue my studies due to a lack of income."*
>
> (IR3, KT)

> *"…regarding the question about the main factors that caused me not to continue my studies or training and skills, it's because of financial problems. My family is unable to afford the costs of continuing education. As you all know, the entrance fees for higher education institutions are quite high for me. Therefore, I made the decision not to continue my studies…"*
>
> (IR4, KT)

> *"In fact, I have health problems. My family members also didn't force me to continue my studies because they understand the health issues I'm facing."*
>
> (IR7, KT)

> *"If you want to know, after SPM, I started working right away. It was a coincidence that I got married early, so I didn't continue my studies. If you want to say why I didn't continue studying, I can say it's because of my family. I have responsibilities as a wife and mother. So, continuing my studies is quite difficult because there's not enough money to support education. Another reason is that I'm less interested in continuing my studies. I'm mainly focused on work and family."*
>
> (IR10, KT)

From the interview findings, financial challenges, such as a lack of income or insufficient financial support from the family, often serve as the primary obstacles preventing youth from pursuing their education. This is evident from the experiences of informants like IR3, KT, and IR4, KT, who faced difficulties in supporting their daily lives and couldn't continue their studies due to a lack of income. Meanwhile, respondents like IR7, KT, emphasized health issues as barriers to continuing education. Although their families understood their health problems, it still posed a significant challenge to the youth's decision to continue their education. Furthermore, IR10, KT, indicated

that family responsibilities, such as being a wife and mother, as well as financial constraints, also contribute to the decision of youth not to continue their education.

Lack of Desire and Effort

Youth who do not pursue their studies contribute to educational dropout rates due to individual factors such as a lack of desire and effort to continue their education. As articulated by the interviewees:

> *"Honestly, I have no desire to continue my studies, and I also don't make an effort to continue my education."*
>
> (IR1, KT)

> *"I also don't make an effort to continue my studies."*
>
> (IR2, KT)

> *"As for saying that I don't put effort into continuing my studies, it's not that I don't put in effort, but even with my SPM results, I'm just barely getting by and not interested in pursuing further education."*
>
> (IR10, KT)

Statements from informants IR1, KT, and IR2, KT, acknowledge that they lack motivation or strong interest in continuing their education. This indicates a lack of drive and enthusiasm within them, hindering efforts to achieve higher educational goals. Meanwhile, IR10, KT, mentions that despite efforts to achieve satisfactory results in the Malaysian Certificate of Education (SPM), a lack of interest in further education remains a significant factor in his decision not to pursue education further.

Failing to Meet Qualification Requirements

Youth who drop out of education due to not meeting academic qualification requirements face challenges in continuing their education. This factor encompasses deficiencies in academic achievement necessary to progress to higher levels, such as failing important exams or not attaining required scores. Consequently, individuals may encounter obstacles in gaining admission to higher education institutions or advanced educational programs. The lack of academic qualifications can stem from various factors, including limited access to quality education, inadequate requirements, or personal challenges affecting academic performance. It is crucial to provide support and guidance to youth in improving their academic achievements and to introduce programs that support their learning and development to ensure better opportunities in their education. As informant IR8, KT, stated:

> *"...yes, I was rejected from continuing my studies because I didn't meet certain requirements..."*
>
> (IR8, KT)

Informant IR8, KT, confirms that they were rejected from further education due to not meeting specific requirements. This statement underscores the importance of academic qualifications in the admission process to higher education institutions or advanced educational programs. The failure to meet qualification requirements can pose a barrier in an individual's educational journey. Such individuals may face challenges in meeting required admission criteria, which may include specific academic achievements, course qualifications, or other requirements

set by institutions. For individuals like IR8, KT, who may not meet these requirements, additional support and resources to help them meet qualification requirements are crucial to opening opportunities for their education.

b) Family Factors

Parenting Style and Parental Support

Family factors also contribute to youth dropout, especially involving parental influence. Parents are the most influential agents in an individual's development. Parenting styles have an impact on the development and academic achievement of children. It is undeniable that some young people today choose not to pursue higher education (Figure 8).

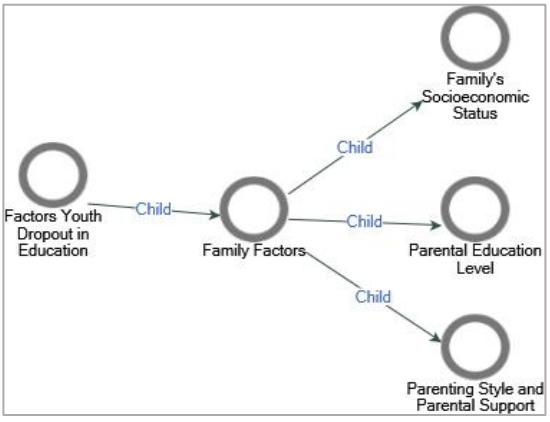

Figure 8: Family factors that affect youth dropout in education

This is due to lack of family support and influenced by the youth mentality that education does not guarantee their future. This was acknowledged by informants IR1, KT, IR3, KT, IR5, KT, IR8, KT, IR10, KT who were interviewed:

> *"... yes, I didn't receive support from them because I had to take over the responsibility of taking care of my parents as my siblings were already working..."*
>
> (IR1, KT)

> *"... yes, for me, this lifestyle affects the decision to continue studying. The family also provides little support for further education due to insufficient finances..."*
>
> (IR3, KT)

> *"If I follow my current lifestyle, it also affects because I am working. If I decide to continue studying while working, it might be a bit disrupted in terms of time management."*
>
> (IR5, KT)

> *"My current family lifestyle also affects my decision not to continue studying. As I mentioned, economic problems have led me to decide not to continue studying. Right now, I work to help ease the burden on my parents. Since I started working, I feel our life is a bit easier than before. My lifestyle is just busy with work now."*
>
> (IR8, KT)

"I can say, when you're already married, already working, the desire to continue studying can be said to be no longer there because there are many responsibilities to bear. I need to help my husband to cover household expenses and so on."

(IR10, KT)

In these interviews, Informant IR1, KT stated that they had to take over the responsibility of caring for their parents because their siblings were already working. The family situation, especially regarding siblings who were already employed and the responsibility of caring for parents, influenced their decision not to continue their education. IR3, KT and IR8, KT also mentioned the lack of support and financial constraints from the family as barriers caused by insufficient economic conditions. Furthermore, the busy lifestyle and family responsibilities, as stated by IR5 and IR10, also impacted the decision not to continue education. It is clear that various factors, including employment, marriage, and family responsibilities, have hindered youth from continuing their education.

Family's Socioeconomic Status

The family's economic situation also plays a crucial role in determining youths' educational opportunities. The majority of young individuals struggle financially, and low family income negatively impacts the educational process for children. Youth from financially disadvantaged families often have to leave school or training due to their inability to afford the costs associated with education and training. For instance, as expressed by informants IR2, KT, IR3, KT, IR4, KT, IR5, KT, and IR10, KT in the interview:

"... yes, my family places great emphasis on socio-economic status and it influenced me to pursue further education. All of my siblings have higher education qualifications…"

(IR2, KT)

"... yes, for me, it greatly influences as the socio-economic constraints force all family members to work to support daily life... hence, the expenses for continuing education are insufficient…"

(IR3, KT)

"My family does not encourage further education because for some families, they prioritize work over continuing education. Additionally, I also face financial difficulties within the family because pursuing further studies requires high costs. This situation would burden them."

(IR4, KT)

"My family's socio-economic status is not good and it's one of the issues affecting my decision to continue studying. Despite numerous scholarships and loans advertised, pursuing education requires a significant initial expenditure. Since my family's lifestyle is not luxurious, covering these initial expenses becomes a challenge."

(IR5, KT)

"For me, the cost of education certainly requires sufficient financial support. I can say, my family may not be able to support my education financially, and I also have other siblings to take care of. That's why I decided to work right after SPM to earn money. My parents might try to help me if I'm interested in studying,

but they accepted my decision to work and, in other words, can also slightly support the family's education expenses."

(IR10, KT)

From these interview findings, IR2, KT feels pressure from their family regarding socio-economic status, which also serves as motivation to pursue further education since all siblings have higher education qualifications. Similarly, IR3, KT faces financial challenges due to the family's socio-economic constraints, resulting in insufficient funds to cover educational expenses. Informant IR4, KT, stated that their family does not encourage further education because for some families, they prioritize work over education. Additionally, they also face financial challenges within the family due to the high costs required for continuing their studies. This situation adds an additional burden to their family. Likewise, IR5, KT states facing difficulty in continuing education due to their family's unfavourable socio-economic status, primarily due to the high initial expenses. IR10, KT also realizes the financial support needed for education but opts to work after SPM to assist their family, recognizing their family's inability to fully support their education.

Parental Education Level

The level of parental education within the family also serves as a factor contributing to educational dropout issues. Parents with higher education levels are able to provide better support, encouragement, and guidance to their children in terms of education. Conversely, families with less educated parents may encounter challenges in supporting their children's education. According to the findings from interviews with several informants such as IR2, KT, IR5, KT, and IR6, KT:

"In my view, yes. Most of my friends have highly educated parents who strongly influence their children to continue their education. However, there are also those whose parents are not highly educated but still have highly educated children"

(IR2, KT)

"My parents are ordinary people and they only studied up to the SPM level. My parents do want to see me succeed beyond them. Therefore, this influences me to pursue further education, but there are some issues that led me to decide not to continue my studies"

(IR5, KT)

"In my opinion, the level of parental education affects my decision-making. My parents are strict and highly educated, but I am someone who prefers to make decisions on my own without considering the pros and cons."

(IR6, KT)

Informant IR2, KT acknowledges that most of their peers with highly educated parents tend to continue their education, although there are exceptions. On the other hand, informant IR5, KT, who comes from a family with less educated parents, faces challenges in supporting their own education. However, even though their parents are highly educated, IR6, KT, admits to being more inclined to make decisions independently without considering their parents' opinions.

c) Environmental Factors

Culture and Influence

Youth dropout rates are also influenced by cultural and environmental factors. The social environment, which puts pressure on achievement, and cultures that emphasize specific priorities, can influence youths' attitudes and beliefs toward education. For instance, in societies where individuals are often judged based on academic success, youths may feel pressured to meet those standards (Figure 10).

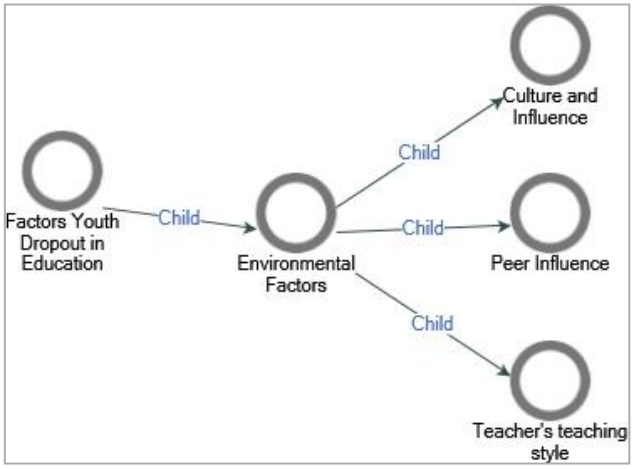

Figure 10: Environmental factors that affect youth dropout in education

Similarly, cultures that undervalue education or prioritize work and family responsibilities may cause youths to neglect their education. This was evident in the statements of informants IR5, KT, and IR6, KT:

> *"When it comes to the attitudes and culture of those around us, it greatly influences our decisions to continue our education, especially when we encounter adults who like to compare their children to us. But I continue to do what I'm doing now. Deep down, I really want to be at the top like other youths, but given my current situation, I feel this path is the best for me at the moment."*
>
> (IR5, KT)

> *"… yes, there have been times when I felt the urge to further my education to serve my parents, but a lack of interest in certain fields and the negative attitudes of those around me have led me to refrain from pursuing further education…"*
>
> (IR6, KT)

Informant IR5, KT, states that the attitudes and culture of those around them influence their decision to continue their education. Despite the desire to achieve high standards, current circumstances influence the decisions made. Additionally, informant IR6, KT, acknowledges that the desire to continue education sometimes arises, especially to serve their parents, but a lack of interest in certain fields and negative attitudes from those around them lead them to withdraw from further education.

Peer Influence

Peer influence influences youth or students to attend school and focus on learning. For example, when peers show negative attitudes towards studies, such as not prioritizing education, students may be exposed to the same

perception. This can result in dropping out of lessons because they may be influenced not to attend class or not to focus fully on learning. Informant IR5, KT opined:

> "*… when I look at my peers who are really not interested in education, from what I have observed they can still work well even though their education level is only high school... So I feel a little influenced to persuade myself the error could not continue my studies. I think I can work as well as them…"*
>
> (IR5, KT)

The results of the interview from the informant IR5, KT revealed that seeing peers who are not interested in education but are still successful in their careers, has influenced his confidence not to continue his studies. Although only educated up to high school, those peers are still able to work well. This feeling creates doubt in him and creates a desire to follow in the footsteps of his peers.

Teacher's teaching style

The teacher's teaching style plays an important role in influencing student interest and performance. A bad teacher's teaching style has a negative impact on the academic and social development of youth, and can result in long-term problems in society. As a result of the interviews in the study conducted with several individuals who had experienced dropout in education, some insights were obtained regarding the relationship between the teacher's teaching style and youth dropout. Among them, informants IR1, KT and IR9, KT said:

> *"... yes, the teacher's teaching style somewhat influenced my interest in continuing my studies because during the previous study period, most teachers only focused on students who became the school's target or better known as hopeful students…"*
>
> (IR1, KT)

> *"... right. When I was in high school, I always got angry with this teacher, which made me feel like I had no motivation to learn. Unbeknownst to me, the problem seems to be growing in me. But I don't blame the teacher because I'm stubborn and mischievous, so it's natural to get angry..."*
>
> (IR9, KT)

Informant IR1, KT stated that the teacher's teaching style that focuses too much on students who are considered to be hopeful students or school targets has to some extent influenced his interest in continuing his studies. This approach may cause feelings of unappreciation or lack of attention towards students who do not fall into that category. In addition, IR9 informant, KT also shared his negative experience with a teacher who often scolded him during his school days. This experience has caused him to lose his enthusiasm for learning and admits that this problem has had a great impact on him. Although he took responsibility for his own behavior, his overly authoritarian teaching style may have contributed to the dropout of youth like him.

CONCLUSION

This study has examined the multifaceted factors contributing to youth dropout from formal education in Kuala Terengganu, focusing on the complex interplay between socio-economic constraints, personal circumstances, and educational system limitations. The findings indicate that while some youth leave school due to personal choice, a

significant proportion fall into the "force-dropout" category, where financial hardship, family obligations, poor academic performance, and lack of transportation play decisive roles. Lack of interest in schooling also emerged as a dominant factor, often influenced by limited exposure to engaging, relevant, and practical learning opportunities. The perspectives gathered from NEET youth, community leaders, and agency representatives highlight that dropout is not a single-cause phenomenon but the outcome of multiple, interconnected issues. Rural youth are disproportionately affected due to inadequate access to quality schools, vocational training, and sustainable employment pathways. Many of these challenges are systemic and require targeted, context-specific interventions

The study also emphasises the potential of Technical and Vocational Education and Training (TVET) as reintegration pathway. Expanding TVET opportunities, improving public awareness of its benefits, and aligning curricula with industry needs could enhance youth employability and reduce the NEET rate. Furthermore, the utilisation of Open Educational Resources (OER) offers an inclusive, flexible learning approach for those unable to re-enter formal schooling, bridging skill gaps and creating alternative educational pathways. To address dropout effectively, a multi-pronged strategy is necessary combining financial support mechanisms, early intervention systems, community engagement, and innovative learning solutions. The integration of these measures can break the cycle of disadvantage, enabling youth in Kuala Terengganu to realise their full academic and economic potential while contributing meaningfully to the broader socio-economic development of the region.

REFERENCES

Department of Statistics Malaysia. (2018–2023). *Youth labour force data*. Putrajaya: Department of Statistics Malaysia (DOSM).

Department of Statistics Malaysia. (2020). *Labour force survey report, Malaysia, 2016–2018*. Putrajaya: DOSM.

Department of Statistics Malaysia. (2021). *Labour force survey report, Malaysia, 2020*. Putrajaya: DOSM.

Department of Statistics Malaysia. (2022). *Labour force survey report, Malaysia, 2021*. Putrajaya: DOSM.

Department of Statistics Malaysia. (2023). *Labour force survey report, Malaysia, 2022*. Putrajaya: DOSM.

Economic Planning Unit. (2022). *Twelfth Malaysia Plan (RMK-12): 2021–2025*. Putrajaya: Prime Minister's Department.

Elder, S. (2015). *What does NEETs mean and why is the concept so easily misinterpreted?*. Work4Youth Technical Brief No. 1. Geneva: International Labour Organization.

Fadzil, M. (2020). *Youth age definition amendment under Act 668*. Kuala Lumpur: Ministry of Youth and Sports.

Human Capital Magazine. (2023). *ILO: One in five young people not in employment, education or training.* International Labour Organization.

International Labour Organization. (2013). *Global employment trends for youth 2013: A generation at risk*. Geneva: ILO.

International Labour Organization. (2019). *Global employment trends for youth 2019*. Geneva: ILO.

International Labour Organization. (2020). *Global employment trends for youth 2020*. Geneva: ILO.

International Labour Organization. (2021). *Global employment trends for youth 2021*. Geneva: ILO.

International Labour Organization. (2022). *Global employment trends for youth 2022*. Geneva: ILO.

International Labour Organization. (2023). *Global employment trends for youth 2023*. Geneva: ILO.

Johann, B. (2014). Labour market entry of NEET youth with disabilities. *Journal of Youth Studies, 17*(2), 257–272.

Kovrova, I. (2013). *Youth not in employment, education or training: Characteristics and key policy responses in selected countries*. Geneva: ILO.

Marican, S. (2005). *Penyelidikan sains sosial: Pendekatan pragmatik*. Petaling Jaya: Edusystem Sdn. Bhd.

Ministry of Education Malaysia. (2023). *Education statistics annual report 2023*. Putrajaya: Ministry of Education.

National Youth and Sports Department. (2018). *Malaysia youth policy review*. Putrajaya: Ministry of Youth and Sports.

Rahman, K. M. (2006). *NEET youth in Japan: Causes and policy responses*. Tokyo: Institute of Labour Policy.

Rusmawati, S. (2016). *NEET youth in Malaysia: Trends and challenges*. Kuala Lumpur: Institute for Youth Research Malaysia (IYRES).

Survey Office for National Statistics. (2013). *Young people not in education, employment or training (NEET)*. London: ONS.

Survey Office for National Statistics. (2015). *Young people not in education, employment or training (NEET)*. London: ONS.

UNESCO. (2023). *Global education monitoring report 2022/3*. Paris: UNESCO.

UNESCO-UNEVOC. (2023). *TVET country profiles: Malaysia*. Bonn: UNESCO-UNEVOC International Centre.

Wan Jan, W. S. (2013). Parental perception of dropout factors in Malaysia. *Malaysian Journal of Education Studies, 48*(2), 15–27.

World Bank. (2022). *Malaysia economic monitor: Boosting trade competitiveness*. Washington, DC: World Bank.

World Bank. (2023). *Malaysia economic monitor: Youth employment*. Washington, DC: World Bank.

World Economic Forum. (2024). *The future of jobs report 2024*. Geneva: World Economic Forum.

Yin, R. K. (2009). *Case study research: Design and methods* (4th ed.). Thousand Oaks, CA: Sage Publications.