

## An Empirical Study of the Career Decision among Undergraduates in Malaysia

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### Abstract

Due to their lack of experience and ongoing concerns about their future plans, undergraduate students often struggle with making career decisions, especially those who are graduating. This study is an attempt to examine the factors that contribute to career decisions among undergraduates in Klang Valley, comprises of the factors of salary and benefit, working environment, and career development. The survey was distributed among undergraduates from selected universities in Klang Valley with 150 respondents. Data received was analyzed using SPSS version 26. The result indicated that the relationship between salary and benefit factors, working environment, and career development towards the factors of career decisions are significant. For future research, the researchers propose the study setting cover the other area of Malaysia with additional factors. Hence, it would add contributions to the body of knowledge.

**Keywords:** Career Decision, Salary and Benefits, Working Environment, Career Development

## Introduction

Undergraduate students tend to choose their career dream that gains excitement in their life for the future but due to factors that affect their career choice. A career path also can be a resource in designing your ability and skill for your future at the current marketable so that many organizations will recognize and realize your talent and volunteer to let you manage their company. A career is an important thing in people's future to make sure they can prove their ability in their path. study shows that the career choices indicate that there are various kinds of styles of career choice practiced by students, it indicates that a circumstance that results from a poor career decision is out of alignment with the student's interests and skills, by understanding students' preference could help them in making smart career decision (Yunusa, 2022). They are more likely to choose a career based on what is available in their environment. Economic stability gives a big impact on the individual in choosing a career and they tend to grab all opportunities in any field that is not related to their studies and course. Desperation to survive in the current economic make them choose the wrong path. People already admire and write their career at 10 years old and they will try hard to achieve their career in the future but sometimes career will be planned and unplanned. Human quality (personality) is a critical element in achieving the national mission. And that is why the development of human capital is a key thrust in the "Rancangan Malaysia Kesembilan (RMK-9)". Human quality's (personality) development is also to be done in a holistic and integrated include the acquisition of knowledge and skills or intellectual capital including capital and entrepreneurial capabilities of scientific and technological knowledge as well as attitudes, values, and ethics that are positive and progressive through education, training and lifelong learning (Normala, 2013).

## Problem Statement

The underlying problem in this study is that failure in choosing a career preference can make unemployment in Malaysia to increase year by year.



Figure 1: Unemployment Rate in Malaysia

According to Trading Economics statistics (as shown in figure 1), the unemployment rate in the midst of the COVID-19 epidemic has risen 46.10 percent over the previous year. Meanwhile, employment fell 0.40 percent. Meanwhile, the workforce expanded by 1.10 percent. The unemployment rate in September 2020 was 4.60 percent. On the other hand, lacking experience and planning is also the greatest issue and problem for individuals in selecting their career. Hence, this study is very important to determine factors that contribute to students' career decisions, so that the respective parties can take necessary action against existing students. As a result, the issue of unemployment could be evaded. This study attempt to investigate the determinant factor that influences career decision among undergraduate students.

### Research Objective

The main objective of this study is to examine the determinant of factors that influences career decision among undergraduates at Klang Valley. There are three (3) research objectives:

1. To determine the relationship between salary and benefit factor on career decision
2. To determine the relationship between working environment factors on career decision
3. To determine the relationship between career development factors on career decision

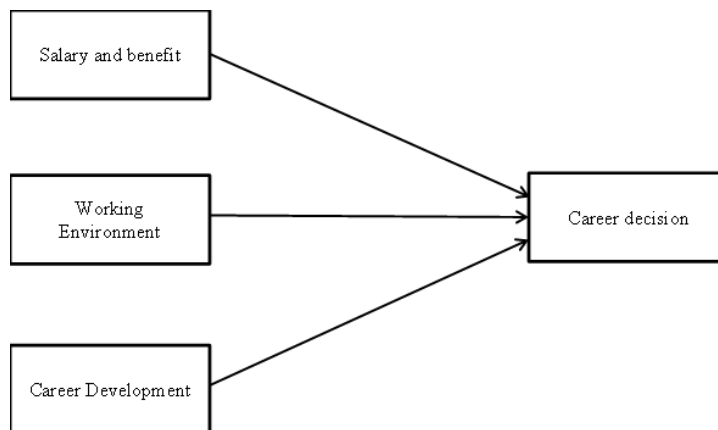


Figure 2: Research Framework

Figure 2 above indicates that the relationship between dependent variable, career decision and independent variables (salary and benefit, working environment and career development). The research framework adapted from On et. Al (2013).

### Literature Review

#### *Career Decision Making*

The global literature is rich in empirical studies concerning the elements impacting professional decision-making, including familial influence, passion, capacity, self-efficacy, seeming difficulties, values, feeling of belonging, gender, and race (Abe and Chikoko, 2020; Lent et al., 2005; Buschor et al., 2014; Rainey et al., 2018; Rainey et al., 2019). On the other hand, decisions are not only about thinking but obtains from our willingness and sometimes fearlessness and also from our behavior or personality. Besides, it really safe and steady but some time is not working like usual (Roth, 1991). Although several factors such as family, instructors, peers, and professional interest have been identified as predictors of career decision-making, there are few studies that have qualitatively investigated the levels of effect of any of these elements (Abe and Chikoko, 2020). Career decisions can come in any way and are really important in our life like the choice of a job, the decision to quit, or accept the job. Besides, make the decision to retire from the current job and the less important is to transfer to other departments in the same organization to act differently. Some decisions will affect our life and family but sometimes the decision makes because of other reasons like sending children to college and needing to change jobs because one of the spouses needs to transfer.

### **Salary and Benefits**

H1: There is a significant relationship between salary and benefits as the determinant of factors that influences career decision.

Salary is the financial reward that is given to employees because of their services to the company. Benefits are the rewards that are given by the company other than salaries like medical benefits, retirement benefits, and insurance/*takaful*. Salary and benefits can also be considered a motivational factor in gaining the excitement of employees towards their job. A study conducted by Nadzri et. al (2015) found that most respondents agreed that the reward factor influences career. Salary and benefits also can consider rewards. One preconception about individuals working in the private sector, for example, is that they get greater pay and have a better chance of advancement (Cazares et al., 2022). The individual will find careers that have full or higher job security in the organization to avoid the risk of unemployment (Siam, 2013). Furthermore, the reward is one of the factors in Maslow's theory in order to motivate employees in their careers.

### **Working Environment**

H2: There is a significant relationship between the working environment and the determinant of factors that influence career decisions.

The working environment factor is a factor that influences in career preference and decision-making of certain individuals. The working environment factor can be any person that influences people in life like parents, family, friends, and teachers. In this case, as we know, the blessing of an individual depends on their parent's hand and they will try hard to follow any wish of their parents. In the public sector, on the other hand, persons who work as public workers are frequently seen as being comfortable in their working environment, for example, increased job security and attractive fringe benefits (Cázares, Andrew and Ismayilov, 2022). Most contemporary employees are expected to work in an environment that contributes to the blurring of the public and private sectors, where the working environment, particularly for those in public management and business administration, is becoming complex and requires managers to retain skills critical to solving managerial problems (Cazares et al., 2022; Wal, 2012).

### **Career Development**

H3: There is a significant relationship between career development and the determinant of factors that influence career decisions.

Career development is a process in manage our life, learning, and work which is to step toward our career goals. Career development also is the opportunity for an individual to show their skills and abilities in their career. Career development can be an advancement for individuals to achieve their goals in their career path and is really important in choosing a career. Katherine McGraw, 2012 reported that career development is important in career preferences. If individuals are to manage their career development effectively, they need support, in three forms which are a) Help in developing their career management skills b) High-quality information on the opportunities open to them and c) Personal support in reviewing the options and converting information into personal action (Watts, 2016). It shows the importance of career development among job seekers. In addition, when an individual

finds a job he/she wants a career that can move his/her to another level position which means he/she will choose the job that provides promotion and progress opportunity (Moy, 2002).

### **Research Methodology**

This research attempt to answer the relationship between a dependent variable and independent variables of this study which is the investigate relationship between career decision (dependent variables) and working environment, salary and benefit, and career development (independent variables). The selected university has been chosen to collect data from 150 respondents at Klang Valley, Selangor and this research also can consider applied research that solves and find a solution to current problems where this research will find a solution to the circumstances that influence decision-making in career path. According to Roscoe (1975) in Sekaran n Bougie (2016) sample size should be more than 30 and less than 500. Sampling is the process of selecting a sufficient number and elements from the population and thus a study of a sample and understanding of its properties and characteristics to the accuracy of the survey result and generality (Sekaran and Bougie, 2013). The sampling procedure adopt in the study for data collection is a simple random sampling method because it is very easy to carry out and the relative cost and time required to carry out this method in an inexpensive way. The target sample in this study is undergraduate students at Klang Valley. The survey has been conducted to gather for this study will be through a questionnaire, the data will be collected by using a self-administered questionnaire which will be distributed to the respondents. The structure of the questionnaire is clear, easy to understand, and straightforward to ensure that the respondent easy to answers the questionnaire. The questionnaires are distributed to 150 undergraduates in the Klang Valley area. The questionnaire has been divided into some sections. The questionnaire consists of three sections as shown below. The instrument of this study was adapted and modified by the researcher from a previous study by (On et. al., 2013)

Table 1

*Instrument used for this study*

Salary and Benefit	
1	Money has been an issue for me in choosing a career
2	I would choose any other occupation in which I could earn as much money
3	I prefer to work in an organization which offers better job security.
4	I would prefer a job that offer adequate salary and benefits that meet my needs
Working Environment	
1	I would prefer to work with a good work atmosphere (i.e. clean, comfortable, absence of noise) organization
2	I would prefer to work with a good boss who is considerable and fair
3	I would like a job where the fellow workers are pleasant, agreeable and good working companion.
4	I would prefer a job with relevant working hours (no longer than normal working hour)
Career Development	
1	I would like a job that related with learning and development needs.
2	I would like a job that gives me good opportunity for promotion.
3	I would like a job that allows me to reach high-power position.
4	I would like the career that can give me experiences for advancement.

**Finding and Analysis**

The data collected showed that female respondents more than male respondents where is 57% are female and 43% are male. The respondent age range between 18 – 22 years old is 31% and the range, between 23 – 26 years old is 50%. While range between 27 – 30 years old is 14% and the age of 31 years old is 5%. Most of the respondent is Malay with 62% and the least respondents are from others with 1%. Others respondents are Chinese with 22% and Indian with 15%.

The reliability test measure is established for testing the stability and consistency with which the instrument measures the concept and helps to assess the 'goodness' of a measure. In general, reliability less than 0.60 are considered to be poor, those more than 0.70 ranges are acceptable and those lower than 0.80 are considered very well.

Table 2

*Cronbach's Alpha*

Reliability All Variables	
Cronbach's alpha	.881

The Cronbach's alpha for this study is .881 which is the good result for all the variables because more than 0.7. In this study contain three independent variables and all items is all the question of all the variables includes dependent variables.

Results of a study to define the variables that influences the factor in career decision among undergraduates at Klang Valley University, Malaysia. The correlation analysis to measure the

strength of relationship between dependent variable (career decision) and independent variables (salary and benefit, working environment and career development).

Table 3  
Pearson Correlation Coefficient Analysis

		Career Decision	Salary And Benefit	Working Environment	Career Development
Career Decision	Pearson Correlation	1	.349**	.399**	.555**
	Sig. (2-Tailed)		.000	.000	.000
	N	150	150	150	150
Salary And Benefit	Pearson Correlation	.349**	1	.313**	.418**
	Sig. (2-Tailed)	.000		.000	.000
	N	150	150	150	150
Working Environment	Pearson Correlation	.399**	.313**	1	.208*
	Sig. (2-Tailed)	.000	.000		.011
	N	150	150	150	150
Career Development	Pearson Correlation	.555**	.418**	.208*	1
	Sig. (2-Tailed)	.000	.000	.011	
	N	150	150	150	150

The result above indicated, that there is a relationship between three independent variables salary and benefit, working environment, and career development with the dependent variable being career decision. The result of the correlation above shows that the relationship between salary and benefit and career decision is ( $r = 0.349, p < 0.01$ ). That means, there are strong relationships between the independent variables (salary and benefit) and the dependent variables (career decision) and also have strong correlations. The result of the correlation between working environment and career decision is ( $r = 0.399, p < 0.01$ ) where there are strong correlations and relationships between working environment and career decision. It also shows that career development has a relationship with career decisions. As a result, it proves that the correlation between career development has a relationship with career decisions is ( $r = 0.555, p < 0.01$ ). It means that it has strong correlation relationship between career development has a relationship with career decisions among undergraduates at Klang Valley.

Table 4

*R Square*

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Durbin-Watson
1	.633 <sup>a</sup>	.401	.385		.44640	1.793
a. Predictors: (Constant), Career Development, Environmental, Salary And Benefit						
b. Dependent Variable: Career Decision						

For the relationship studied between independent variables and dependent variable, it shows R valued at 0.633. This means that between dependent and independent variables in this research have strong positive linear correlation. According to the table above, R<sup>2</sup> value of this model resulted at 0.401 which indicated 40.1% of the variation is explaining by the equation. In other words, 40.1% changes the dependent variable (career decision) are explained by the changes of all independent variables (salary and benefit, working environment and career development). However, another 59.9% can be explain by other factors.

Table 5

*Coefficients*

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.025	.317		3.238	.001
	Salary And Benefit	.045	.065	.052	.696	.488
	Environmental	.200	.055	.257	3.605	.000
	Career Development	.448	.072	.452	6.196	.000
a. Dependent Variable: Career Decision						

The multiple regression analysis is done to test whether three independent variables influence to the career decision. It shows the relationship between dependent variable and independent variables. Based on the table above, it can be concluded that is all the three of variables is significant towards career decision among undergraduates.

**Conclusion and Recommendation**

In conclusion, it indicated that the relationship between salary and benefit factors, working environment, and career development as the determinant of factors that influence career decisions are significant. The researchers suggest to the future researcher to find the best alternatives in collecting the data and make more strategies to approach to get a fuller picture of career decisions. For future studies, it is hoped that the above limitations may be used as a guide to enhance the study. Among the actions that can be taken are first, some personal and organizational characteristics need to be explored more profoundly as they can show a more obvious effect on the factor that contributes to a student's career decision. On the other hand, there are additional factors that impact career decisions that are not covered in this study and can be identified by many other factors and obtain the key component that influences career decisions for future research.



There are various types of research conducted on the choice of career among graduating students as the result of the study gives the indication of current preferences among existing university students on their career preferences in the future. Previous research has adapted human resources' key function in determining career choices. For this study, the researchers adapt three factors, namely salary, and benefits, working environment as well as career development. These variables have been also used by previous research towards job performance, however, understanding the current students becoming more selective in deciding their future career as their ability to get information before applying for any jobs through social media or any available information platform. Hence, this research could contribute to the existing theoretical, specifically human resources key function by exploring different contextual, in this case, Malaysia undergraduate students, specifically in Klang Valley.

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